WATER USE AGREEMENT

THIS AGREEMENT made and entered into this 18th day of August, 1982 by and between LOUIS M. MARTINI, a corporation, hereinafter called "Property Owner", and the City of St. Helena, a Municipal Corporation of the State of California, hereinafter called "City".

WITNESSETH:

WHEREAS, Property Owner is desirous of continuing to use that amount of water presently being used by Property Owner and supplied by City upon that certain parcel more particularly described in Exhibit A, attached hereto and incorporated by reference; and

WHEREAS, Napa County requires the agreement by City to continue said supply of water to Property Owner; and

WHEREAS, Property Owner has received said water from City since 1933;

NOW, THEREFORE, in consideration of the premises and the terms, conditions, covenants and agreements hereinafter mentioned, it is mutually understood and agreed by and between the parties hereto as follows:

1. City agrees to furnish Property Owner water service for the existing land use, to wit: a winery.

2. The aforesaid use shall be restricted to the physical plant presently existing on Property Owner's premises and shall in no event be increased by reason of the construction of additional structures or changed uses.
3. Any additional structures constructed or uses made shall be served by a well to be constructed by Property Owner and Property Owner agrees to install appropriate back flow devices approved by the City in the event such a well is constructed.

4. All of the terms, conditions, provisions, agreements and covenants herein contained shall pertain to and run with the land hereinbefore described.

5. Property Owner agrees to conform to and comply with all provisions of the City Code and all resolutions, rules, and regulations of the City regarding the manner in which said water service shall be used and the manner of connecting therewith now existing or as may be hereafter amended or adopted by the City.

6. Property Owner agrees to pay the City the service charges, quantity rate and storage fees as provided by Chapter 18 of the City Code pursuant to all applicable rules, regulations or resolutions of the City now existing or hereafter amended or adopted.

7. All of the terms, conditions, provisions, agreements and covenants herein contained shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors in title or interest, transferees and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed in the parties' corporate names and seals affixed hereto by their officers thereunto duly authorized the day and year first above written.

LOUIS M. MARTINI, a corporation

by

LOUIS P. MARTINI

its President

(Property Owner)
CITY OF ST. HELENA, a Municipal Corporation

by

LOWELL SMITH, Mayor

(City)

APPROVED AS TO FORM:

JOSEPH M. KEEBLER, City Attorney.

ATTEST:

GEORGE R. MUSSO, City Clerk

STATE OF CALIFORNIA  ( ss.
COUNTY OF NAPA )

On this 7th day of August, 1982, before the undersigned Notary Public, personally appeared LOUIS P. MARTINI, known to me to be the President of the corporation that executed the within instrument and acknowledged to me that such corporation executed the same.

Notary Public

[SEAL]

STATE OF CALIFORNIA  ( ss.
COUNTY OF NAPA )

On this 10th day of August, 1982, before the undersigned Notary Public, personally appeared LOWELL SMITH, known to me to be the Mayor of the city that executed the within instrument and acknowledged to me that such city executed the same.

Notary Public

[SEAL]
For value received, NAPA FRUIT COMPANY, a California corporation, organized and existing under the laws of the State of California, grants to LOUIS M. MARTINI, of the County of Fresno, State of California, all that certain real property situate, lying and being in the County of Napa, State of California, bounded and described as follows, to-wit:

Commencing at a point formed by the intersection of the North Eastern line of the right of way of the Southern Pacific Railroad Company (formerly the Napa Valley Railroad Company) with the South Eastern line of a private roadway, and running thence North 46 degrees 40 minutes East, along the South Eastern line of said private roadway parallel to and distant 33 links measured at right angles from the South Eastern line of the lands of the Calistoga Vineyards Company, Ltd., a corporation, formerly the lands of Theodore Gier and John McPike, 10 chains, more or less, to an iron stake at the most Western corner of the 17.83 acre tract of land conveyed to Ambrose Sculatti and wife by instrument of record in Volume 48 of Official Records, at page 256, said Napa County Records; thence South 43 degrees 20 minutes East, along the South Western line of said 17.83 acre tract, 10 chains, more or less, to an iron stake at the most Western corner of the 8.32 acre tract of land conveyed to Elizabeth Yantula by instrument of record in Volume 19 of Official Records, at page 338, said Napa County Records; thence South 46 degrees 40 minutes West, along the North Western line of said 8.32 acre tract, 10 chains, more or less, to an iron stake at the most Western corner thereof on the aforesaid North Eastern line of the right of way of the Southern Pacific Railroad Company and thence in a North Westerly direction along said last mentioned line, 10 chains, more or less, to the point of commencement.

Containing 10 acres of land, more or less, and being a portion of the Carne Humana Rancho, EXCEPTING THEREFROM, however, all that portion thereof heretofore conveyed by the Napa Fruit Company, a corporation, to the Southern Pacific Railroad Company, a corporation, by deed of record in Volume 52 of Official Records, at page 4.

IN WITNESS WHEREOF, said NAPA FRUIT COMPANY, a California corporation, has caused this instrument to be executed and its corporate seal to be hereto affixed by its officers thereunto duly authorized, this 2nd day of March, 1933.

NAPA FRUIT COMPANY, a California corporation