BOARD OF DIRECTORS
Special Meeting Agenda
September 23rd, 2026, 5:30 p.m.
Board Room
19039 Bay Street, El Verano
(707) 996-1037

PUBLIC NOTICE

Members of the public may participate in this open, public hybrid in-person/remote meeting Via Zoom or telephone. Join the Zoom meeting here:
https://us02web.zoom.us/j/2135226170
Meeting ID: 213 522 6170
Password: VOMWD
Dial in: +1 669 900 6833 US
Find your local number: https://us02web.zoom.us/u/kbQrgAVzxw

Pursuant to Government Code section 54953(f), one or more Board members may participate remotely due to just cause.

Time will be provided for public comment. Any member of the public wishing to speak will be allowed 3 minutes to make a statement. Board President will call for comments prior to the Board deliberating on pending action. However, please note that no action can be taken on any item unless printed on the agenda and included with the meeting notice. Therefore, any item discussed by members of the public and not shown on the agenda will only be received for information. The Board of directors may choose to set such item for future discussion and staff report. A full agenda packet is available at the District office for public view. A fee may be charged for copies. During the meeting, information and supporting materials are available in the Boardroom. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District as soon as possible, but at least two days prior to the meeting.

All open meetings are recorded. Recordings for each meeting are retained for a minimum of 90 calendar days and may be heard upon request, at no cost. Please contact a member of the District staff for assistance. ITEMS ON THIS AGENDA MAY BE TAKEN OUT OF THE ORDER SHOWN.

Any writings or documents provided to a majority of the Board regarding any item on this agenda will be made available for public inspection in the VOMWD office located at the above address during normal business hours.

1. CALL TO ORDER – PLEDGE – ROLL CALL

2. PUBLIC COMMENTS:

This section of the agenda is provided so that the public may express comments on any item within the District's jurisdiction not listed on the agenda. Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or follow Board procedures to direct staff to place a matter of business on a future agenda. The public may express comments on agenda items at the time of Board consideration.

3. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 3.A Consider Approval of the Exclusive Negotiation and Due Diligence Agreement with Triple C Water Ranch LLC

4. REQUEST FOR FUTURE AGENDA ITEMS

5. ADJOURNMENT

The next scheduled Board meeting is a regular meeting at 6:30 p.m. on October 1st, 2026. Posted this 17th day of September 2026, online and in three public places.

Amanda Hudson
Amanda Hudson, Board Secretary

Date: September 23rd, 2026

Item: 3.A

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Exclusive Negotiation and Due Diligence Agreement with Triple C Water Ranch LLC

BACKGROUND

The District currently utilizes an existing groundwater production well and related facilities located at 18775 Arnold Drive, Sonoma, pursuant to a separate well lease and water purchase agreement. The District is interested in evaluating the potential acquisition of the property for public water supply, treatment, operational, and related purposes.

Staff and District Counsel have worked with the property owner, Triple C Water Ranch LLC, to develop an Exclusive Negotiation and Due Diligence Agreement. The proposed Agreement provides the District with a 90-day exclusive negotiation period to evaluate the property and determine whether mutually acceptable terms for a potential acquisition can be reached. During this period, the property owner would withdraw the property from active marketing and refrain from negotiating with other prospective purchasers.
The Agreement also provides the District reasonable access to the property to conduct due diligence activities, including appraisal, title and survey work, evaluation of the existing well and groundwater supply, environmental review, geotechnical review, and preliminary planning for potential water treatment and related improvements. The property owner is also required to reasonably cooperate with the District's evaluation and provide available documentation relevant to the property.

Approval of this Agreement does not commit the District to purchase the property or establish a purchase price or other acquisition terms. Any future acquisition would require negotiation of a separate purchase and sale agreement, satisfactory completion of appraisal and due diligence, confirmation of funding and budget authority, compliance with CEQA and other applicable requirements, and separate approval by the Board of Directors at a properly noticed public meeting.

FISCAL IMPACT

In consideration for the 90-day exclusivity period, the District would pay the property owner $500. The payment is nonrefundable and is not a deposit toward the purchase price.

RECOMMENDED ACTION

Approve the execution of the Exclusive Negotiation and Due Diligence Agreement with Triple C Water Ranch LLC and authorize the General Manager to make minor, non-substantive changes to the Agreement as necessary prior to execution.

ATTACHMENT

Exclusive Negotiation and Due Diligence Agreement

EXCLUSIVE NEGOTIATION AND DUE DILIGENCE AGREEMENT

18775 Arnold Drive, Sonoma, California
APN 052-251-035-000

This Exclusive Negotiation and Due Diligence Agreement ("Agreement") is entered into as of _____________, 2026 (the "Effective Date"), by and between TRIPLE C WATER RANCH LLC, a California limited liability company ("Owner"), and VALLEY OF THE MOON WATER DISTRICT, a California county water district ("District"). Owner and District may each be referred to as a "Party" and collectively as the "Parties."

RECITALS

A. Owner owns the entire parcel of real property commonly known as 18775 Arnold Drive, Sonoma, California, Assessor's Parcel Number 052-251-035-000, together with all improvements and appurtenant rights (the "Property").

B. The Property contains an existing groundwater production well and related facilities used or previously used by the District pursuant to a separate well lease and water purchase agreement.

C. The District desires to investigate a possible acquisition of the Property for public water-supply, treatment, operational, and related public purposes. Owner is willing to provide the District a limited period in which to conduct due diligence and negotiate exclusively concerning a possible purchase.

D. The Parties intend this Agreement to govern only exclusivity, access, due diligence, and negotiations. Except for the obligations expressly stated in this Agreement, neither Party is obligated to enter into or complete a purchase and sale transaction.

NOW, THEREFORE, in consideration of the mutual promises contained herein and the consideration described below, the Parties agree as follows:

1. Exclusive Negotiation Period

The exclusive negotiation period begins on the Effective Date and continues for ninety (90) calendar days, unless earlier terminated in accordance with this Agreement (the "Exclusivity Period"). The Parties may extend the Exclusivity Period by a written amendment signed by both Parties and approved as required by the District's governing procedures.

2. Owner's Exclusivity and No-Shop Obligations

During the Exclusivity Period, Owner shall negotiate exclusively and in good faith with the District concerning a possible sale of the Property. Owner shall, and shall direct its members, managers, employees, agents, brokers, representatives, and advisors to:

- promptly withdraw the Property from active marketing and discontinue advertisements, listings, open houses, and other solicitations of purchaser interest;
- not solicit, initiate, encourage, entertain, discuss, negotiate, or accept any inquiry, proposal, offer, letter of intent, option, purchase agreement, or other arrangement concerning the sale,

transfer, exchange, option, lease with a purchase right, or other disposition of all or any material portion of the Property or any interest therein;

- not enter into, modify, extend, or perform any agreement that would sell, transfer, option, encumber, or otherwise impair Owner's ability to convey the Property to the District if the Parties later execute a definitive purchase agreement; and
- promptly notify the District in writing of any unsolicited third-party inquiry or offer received during the Exclusivity Period, without engaging in substantive discussions or negotiations concerning that inquiry or offer.

3. District's Evaluation and Negotiations

The District intends to proceed diligently with its evaluation of the Property and, if warranted, negotiations concerning a potential acquisition. The District may retain appraisers, engineers, hydrogeologists, environmental consultants, surveyors, title professionals, legal counsel, and other advisors. The District shall bear its own evaluation and negotiation costs unless the Parties later agree otherwise in writing.

Nothing in this Agreement requires the District to complete any particular investigation, submit an offer, agree to any price or term, recommend acquisition to its Board of Directors, or enter into a definitive purchase agreement.

4. Due Diligence Access

During the Exclusivity Period, Owner grants the District and its employees, directors, officers, agents, consultants, contractors, appraisers, legal counsel, regulators, and funding-agency representatives reasonable access to the Property for acquisition-related due diligence, and Owner shall make the Property available to the District and its representatives within five (5) business days after the District’s request. Authorized activities may include appraisal; title and survey work; review of land-use and development constraints; inspection of the existing well and related facilities; hydrogeologic, groundwater-supply, and existing-well evaluation; water sampling; environmental site assessment; utility locating; geotechnical review; and preliminary planning for water treatment, conveyance, electrical, access, security, and related improvements. Authorized activities expressly include environmental site assessments, including the collection and analysis of soil, groundwater, and other physical samples and geotechnical borings reasonably necessary to evaluate the Property for its intended public water-supply, treatment, and operational purposes.

The District will endeavor to conduct scheduled, non-emergency activities during normal business hours and to coordinate intrusive or subsurface testing with Owner in advance. The District shall repair material physical damage caused by its activities, reasonable wear and tear excepted. The District shall not install permanent improvements or materially alter the Property without Owner's prior written consent. The District shall not conduct destructive, invasive, or subsurface testing without Owner’s prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. The District's existing access and operational rights under any separate agreement concerning the well or related facilities are not limited by this Section.

5. Owner Information and Cooperation

Owner shall reasonably cooperate with the District's evaluation and shall provide to the District within a reasonable time, to the extent within Owner's possession or control, existing documents relating to title, boundaries, easements, leases, licenses, utilities, wells, septic or percolation testing, environmental conditions, surveys, appraisals, land-use approvals, development applications, other material conditions affecting the Property, and any such additional documents reasonably requested by the District. Owner does not warrant the accuracy or completeness of third-party reports but shall not withhold material information concerning the Property.

6. Consideration

In consideration of Owner's exclusivity and no-shop obligations, the District shall pay Owner Five Hundred Dollars ($500.00) within ten (10) business days after the Effective Date. The payment is nonrefundable, is not earnest money or a deposit toward a purchase price, and does not obligate the District to acquire the Property. The Parties also acknowledge as consideration their mutual promises under this Agreement and the District's anticipated expenditure of staff time and funds for appraisal and due diligence.

7. No Agreement on Purchase; Required Approvals

This Agreement is not an option, purchase agreement, agreement to agree, or commitment by either Party to complete a sale. This Agreement is not binding on the District unless and until it has been approved by the District's Board of Directors and executed by the District's duly authorized representatives. Any acquisition is subject to, among other matters, negotiation and execution of a separate definitive purchase and sale agreement; approval by the District's Board of Directors at a properly noticed public meeting; confirmation of lawful funding and budget authority; completion of appraisal and due diligence satisfactory to the District in its sole discretion; acceptable title and physical condition; compliance with the California Environmental Quality Act and other applicable laws; and satisfaction of any regulatory or funding requirements.

No statement, draft, term sheet, letter of intent, negotiation, staff recommendation, or expenditure made before execution of a definitive purchase agreement approved by the District's Board of Directors shall bind the District to acquire the Property.

The District expressly retains its complete and independent discretion under the California Environmental Quality Act, including full authority to consider the entire range of mitigation measures and project alternatives. Nothing in this Agreement obligates the District to approve any document prepared under the California Environmental Quality Act, to proceed with any acquisition, or otherwise commits the District to any project before it completes environmental review.

8. Negotiation Framework

The Parties will communicate in good faith and use reasonable efforts to determine whether mutually acceptable purchase terms can be developed during the Exclusivity Period. Unless otherwise agreed, each Party shall be responsible for its own legal, brokerage, accounting, advisory, and negotiation expenses. Any proposed price or material business term remains nonbinding unless incorporated into a definitive purchase agreement approved and executed by both Parties.

9. Representations Regarding Authority and Other Rights

Owner represents that it is the fee owner of the Property, subject to matters of record, that it has full authority to enter into this Agreement, and that the person executing this Agreement on Owner's behalf is a duly authorized member of Owner. Owner represents that, except as disclosed in wrting to the District on or before the Effective Date, there is no any existing purchase agreement, option, right of first refusal, listing agreement, lease, lien, or other commitment that could conflict with this Agreement or impair a potential conveyance to the District, and Owner covenants to notify the District promptly in writing if any such matter arises during the Exclusivity Period. The District represents that execution of this Agreement has been authorized in accordance with its applicable governing procedures.

10. Termination

This Agreement terminates automatically upon the earliest of: (a) expiration of the Exclusivity Period; (b) execution of a definitive purchase and sale agreement between the Parties; (c) written notice from the District that it has elected to discontinue its evaluation or negotiations; or (d) a written agreement of the Parties terminating this Agreement. Termination does not excuse a breach occurring before termination. Sections 6, 7, 10, 11, 12, 13, and 14 survive termination to the extent necessary to give them effect.

11. Remedies

Owner acknowledges that a breach of Section 2 may cause harm not readily measurable in money damages. Subject to applicable law, the District may seek temporary, preliminary, or permanent injunctive relief or specific performance of the exclusivity obligations, in addition to any other available remedy. In addition, if Owner breaches Section 2, Owner shall reimburse the District, within thirty (30) days after written demand, for the District's documented out-of-pocket costs incurred in connection with its evaluation of the Property, including appraisal, consulting, environmental, engineering, legal and staff costs; this remedy is cumulative and does not limit any other remedy available to the District. In any action to enforce this Agreement in which the District is the prevailing party, the District shall be entitled to recover its reasonable attorneys' fees and costs. Nothing in this Section requires the District to pursue any transaction or limits the District's right to terminate its evaluation.

12. Public Records

Owner acknowledges that the District is a public agency and that this Agreement, related records, and communications may be subject to disclosure under the California Public Records Act and other applicable laws. The District makes no promise of confidentiality except as authorized by law. Each Party may disclose information to its governing body, legal counsel, consultants, insurers, regulators, funding agencies, and other representatives as reasonably necessary.

13. Notices

All notices under this Agreement shall be in writing and delivered personally, by nationally recognized overnight delivery service, or by email with confirmation of transmission, to the addresses below. A Party may update its notice information by written notice to the other Party.

OWNER

Triple C Water Ranch LLC
Attn: P.J. Pedroncelli
18775 Carriger Rd.
Sonoma, CA 95476
Email: pj@pedroncellico.com

DISTRICT

Valley of the Moon Water District
Attn: General Manager
PO Box 280
El Verano, CA 94533
Email: mfullner@vomwd.org

14. Miscellaneous

This Agreement contains the entire understanding of the Parties concerning its subject matter and supersedes prior oral discussions concerning exclusivity. It does not amend or replace any separate well lease, water purchase agreement, easement, license, or other agreement except as expressly stated. Any amendment or waiver must be in writing and signed by authorized representatives of both Parties. This Agreement is governed by California law. If any provision is held unenforceable, the remaining provisions remain effective. This Agreement may be signed in counterparts and by electronic signature, each of which is deemed an original and all of which constitute one instrument. Neither Party may assign this Agreement without the prior written consent of the other Party, except that the District may assign it to a public financing or successor entity as part of an approved acquisition structure.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

OWNER: TRIPLE C WATER RANCH LLC

By: ______________________________________

Name: P.J. Pedroncelli

Title: [Manager/Authorized Representative]

Date: ____________________________________

DISTRICT: VALLEY OF THE MOON WATER DISTRICT

By: ______________________________________

Name: ______________________________

Title: President, Board of Directors

Date: ____________________________________

ATTEST:

By: ______________________________________

Name: ____________________________________

Title: Secretary of the Board

APPROVED AS TO FORM:

By: ___________________________________

District Counsel

Date: _________________________________