

DANIEL E. LUNGREN
Attorney General

State of California
DEPARTMENT OF JUSTICE



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January 30, 1998

VIA OVERNIGHT UPS

Allan Abshez
Irell & Manella
1800 Avenue of the Stars, Suite 900
Los Angeles, California 90067-4276

RECEIVED

FEB 2 - 1998

COASTAL CONSERVANCY
OAKLAND, CALIF.

RE: Mancuso v. Calif. State Coastal Conservancy, et al.
LASC No. BS 040197

Dear Mr. Abshez:

Enclosed please find three execution copies of the settlement agreement in the above entitled matter. These documents incorporate the final changes made to Paragraphs IV.8 and VII.1 and the addition of Paragraph VII.2. Please have your client execute all three documents and then forward them to Jonathan Horne for his client's signatures with instructions for them to return the three copies to my office for execution by General Services and the Mountains Recreation and Conservation Authority. After the documents have been executed by these agencies and the Conservancy, I will forward an executed copy to you and to Jonathan Horne.

As I have previously indicated, the Conservancy staff continues to be concerned about the amount of time it is taking to reach closure with respect to this agreement. In this regard, the Conservancy has obligated itself to perform numerous tasks this year. If this document is not executed within a very short period of time, the Conservancy staff will have no choice but to recommend to the Conservancy that the dates for the Conservancy's performance be extended. I do not believe that any of us wish to reopen the negotiations on those points.

Previously, I indicated that we needed to have these documents executed by your clients by this date. Inasmuch as the documents were not ready for execution until today, I believe an

Allan Abshez
January 30, 1998
Page 2

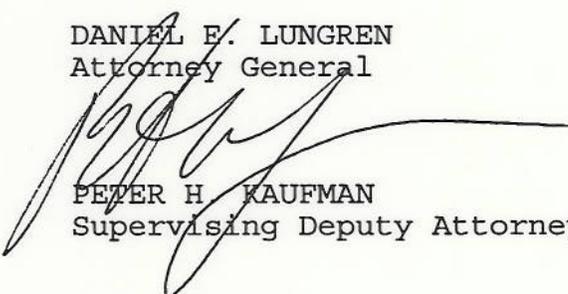
extension until February 6, 1998 would be appropriate. If I have not received copies executed by your client and Mr. Wildman by that date, I will have insufficient time to obtain the necessary signatures of General Services and the Mountains Recreation and Conservation Authority prior to the Conservancy's February meeting.

Failure to have a completely executed copy of the Agreement by the Conservancy's February meeting could result in the need to renegotiate all dates for performance by the Conservancy with the attendant risk that the entire agreement could be lost. Given how far we have come, I believe it would be in all our interests to do whatever is necessary to have these documents executed by the Conservancy's February meeting.

Please advise me as soon as possible if you foresee any impediments to your client's execution of these documents and my receipt of them by February 6, 1998.

Sincerely,

DANIEL E. LUNGREN
Attorney General



PETER H. KAUFMAN
Supervising Deputy Attorney General

Enclosures

cc. Jonathan Horne
Steve Horn
Marcia Grimm