



WEST VALLEY WATER DISTRICT
855 W. Base Line Road Rialto, CA

ENGINEERING, OPERATIONS AND PLANNING COMMITTEE MEETING
AGENDA

WEDNESDAY, APRIL 10, 2019 - 6:00 PM

NOTICE IS HEREBY GIVEN that West Valley Water District has called a meeting of the Engineering and Planning Committee to meet in the Administrative Conference Room, 855 W. Base Line Road, Rialto, CA 92376.

I. CONVENE MEETING

II. PUBLIC PARTICIPATION

The public may address the Board on matters within its jurisdiction. Speakers are requested to keep their comments to no more than three (3) minutes. However, the Board of Directors is prohibited by State Law to take action on items not included on the printed agenda.


1. DISCUSSION ITEMS

- a. Update from Engineering, Operations and Planning Committee
- b. Consider an Amendment to Task Order No. 2 with Michael Baker International, Inc. For Design of Pump Station 7-2 Emergency Generator. **(Pg. 2)**
- c. Consider Water System Infrastructure Installation and Conveyance Agreement with FFF Rialto, LLC. **(Pg. 7)**
- d. Consider a Water System Infrastructure Installation and Conveyance Agreement El Rivino Industrial I, LLC. **(Pg. 33)**
- e. Consider Approval of a Cooperative Agreement for the Sustainable Management of the San Bernardino Basin Area. **(Pg. 92)**
- f. Resolution 2019-6, Application For Economic Assistance Grant. **(Pg. 136)**

III. ADJOURN

DECLARATION OF POSTING:

I declare under penalty of perjury, that I am employed by the West Valley Water District and posted the foregoing Engineering, Operations and Planning Agenda at the District Offices on April 5, 2019.



Crystal L. Escalera, Board Secretary



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: April 10, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., General Manager
SUBJECT: CONSIDER AN AMENDMENT TO TASK ORDER NO. 2 WITH
 MICHAEL BAKER INTERNATIONAL, INC. FOR DESIGN OF PUMP
 STATION 7-2 EMERGENCY GENERATOR

BACKGROUND:

Pressure Zone 7 is north of Pressure Zone 6 in West Valley Water District's ("District") North System. Storage is provided by R7-1, R7-2, R7-3, and R7-4 Reservoirs on Lytle Creek Road. There is no source of supply within Pressure Zone 7. Water is boosted from the Lower Pressure Zones 4, 5, and 6.

Currently there is one existing pump station, Pump Station 7-1, boosting water supplies to the upper pressure zone. Pump Station 7-2 is needed to supply future demands and provide redundancy in the event the other pump station is out of service for maintenance or repair. The District is proposing to design Pump Station 7-2 (PS7-2) in preparation for the increased development that is projected to occur in Pressure Zone 7.

On January 18, 2018 the Board of Directors directed the General Manager to enter into an agreement with Michael Baker International, Inc. ("MBI") to prepare the design for PS7-2. Since their contract was established, MBI has successfully conducted the scope of work and provided deliverables as stated in the contract.

DISCUSSION:

As we proceed with the design phase of the project, Staff requested a proposal for an Emergency Generator for the design of PS7-2. The proposal includes additional architectural/structural plan sheets for the foundation/floor plan, roof plan, roof details, elevations, sections, and electrical plan sheets for single line diagram, site plan, details, and PLC connection diagram to account for the Emergency Generator. Attached as **Exhibit A** is a copy of the proposal received by MBI to perform this additional design.

FISCAL IMPACT:

The cost for the design of the Emergency Generator for Pump Station 7-2 as proposed by Michael Baker International, Inc. is \$39,303.00. This item is included in the Fiscal Year 2018/19 Capital

Improvement Budget under Pump Station 7-2 Design with a budget of \$40,000.00. Sufficient funds are available.

STAFF RECOMMENDATION:

It is recommended that the Engineering, Operations, and Planning Committee consider an amendment to Task Order No. 2 with Michael Baker International, Inc. for the design of an Emergency Generator at Pump Station 7-2 in the amount of \$39,303.00 and have this item considered by the full Board of Directors at a future meeting and authorize the General Manager to execute the necessary documents.

Respectfully Submitted,



Clarence Mansell Jr, General Manager

RMG:ce

ATTACHMENT(S):

1. Exhibit A - Emergency Generator for Pump Station 7-2 Proposal Submitted by MBI

EXHIBIT A

December 18, 2018

JN 165353

Rosa M. Gutierrez
West Valley Water District
855 W Base Line Road
PO Box 920
Rialto, CA 92377

Subject: Amendment No. 1 for Task Order No. 2 Zone 7-2 Pump Station

Dear Ms. Gutierrez;

The focus of this letter is for your approval of Amendment No. 1 for Michael Baker's additional design services relating to Pump Station 7-2. During the course of final design, it was determined that the existing Edison service meter could not support additional loads of the proposed 7-2 Pump Station and that a separate meter would not be provided. The direction provided to Michael Baker was to include an on-site generator for 24-hour operation, equipped with a 100-gallon day tank for fuel storage. Inclusion of the generator will cause an increase to the building and subsequent architecture and changes to the electrical design.

After review of the provided 6-2 Pump Station plans, our structural and electrical department provided the following insight: 1) to avoid RFI's and clarifications during construction, additional structural details should be included in the plan set to account for an additional room for the generator; 2) since the generator and fuel will be housed inside the building, it is preferred to use a steel framed roof instead of a timber roof; and 3) the structural and electrical design will conform to the 2016 CBC.

The additional plan sheets anticipated for the architectural/structural design are as follows:

- S1 – Foundation/Floor Plan
- S2 – Roof Plan
- S3 – Longitudinal/Transverse Sections
- S4 – Elevations
- S5 – Roof Details
- S6 – Miscellaneous Sections and Details

Electrical plan sheets anticipated for this change include the following:

- E1 – Single Line Diagram (revised)
- E2 – Electrical Site Plan (revised)
- E3 – Electrical Lighting and Grounding
- E4 – Electrical Conduit and Cable Schedule
- E5 – Electrical Details
- E6 – PLC Connection Diagram

The proposed amendment for this task is as follows:

Original Task Order No. 2 dated 1/24/18	\$ 169,839.00
Amendment 1:	
Electrical and structural changes to the plan set.	\$ 39,303.00
<hr/>	
Revised Amount	\$ 209,142.00

If this proposal is acceptable, please contact us so we may begin preparation of the planned design changes. Should you have any questions, please contact me at (951) 506-2068 or via email at mboeck@mbakerintl.com.

Sincerely,



Michael Boeck, PE
Senior Associate
Water Resources/Corrosion Services



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: April 10, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., General Manager
SUBJECT: CONSIDER WATER SYSTEM INFRASTRUCTURE INSTALLATION
AND CONVEYANCE AGREEMENT WITH FFF RIALTO, LLC

BACKGROUND:

FFF Rialto, LLC. ("Developer") is the owner of land located on the south side of Casmalia Street, between Cedar Avenue and Linden Avenue ("Development"), as shown in **Exhibit A**. The proposed development includes the construction and operation of three (3) warehouse distribution centers with offices, totaling 367,755 square-foot. In developing this land, the Developer is required to extend a 12-inch water main the length of its property on Casmalia Street and install water services for domestic, fire and irrigation purposes.

DISCUSSION:

In order to construct the water facilities needed to supply water to the Development, West Valley Water District ("District") and the Developer wish to enter into a Developer-Installed Water System Infrastructure Installation and Conveyance Agreement ("Agreement"). This Agreement outlines the responsibilities of the Developer in constructing facilities, including insurance, indemnification and bonding requirements as well as conveyance and acceptance of the water system by the District. Attached as **Exhibit B** is a copy of the Water System Infrastructure Installation and Conveyance Agreement for this development.

FISCAL IMPACT:

No fiscal impact to the District.

STAFF RECOMMENDATION:

It is recommended that the Engineering, Operations and Planning Committee approve the Water System Infrastructure Installation and Conveyance Agreement with FFF Rialto, LLC. and have this item considered by the full Board of Directors at a future meeting.

Respectfully Submitted,



Clarence Mansell Jr, General Manager

DG:ce

ATTACHMENT(S):

1. Exhibit A - Aerial Map
2. Exhibit B - Water System Infrastructure Installation and Conveyance Agreement

EXHIBIT A

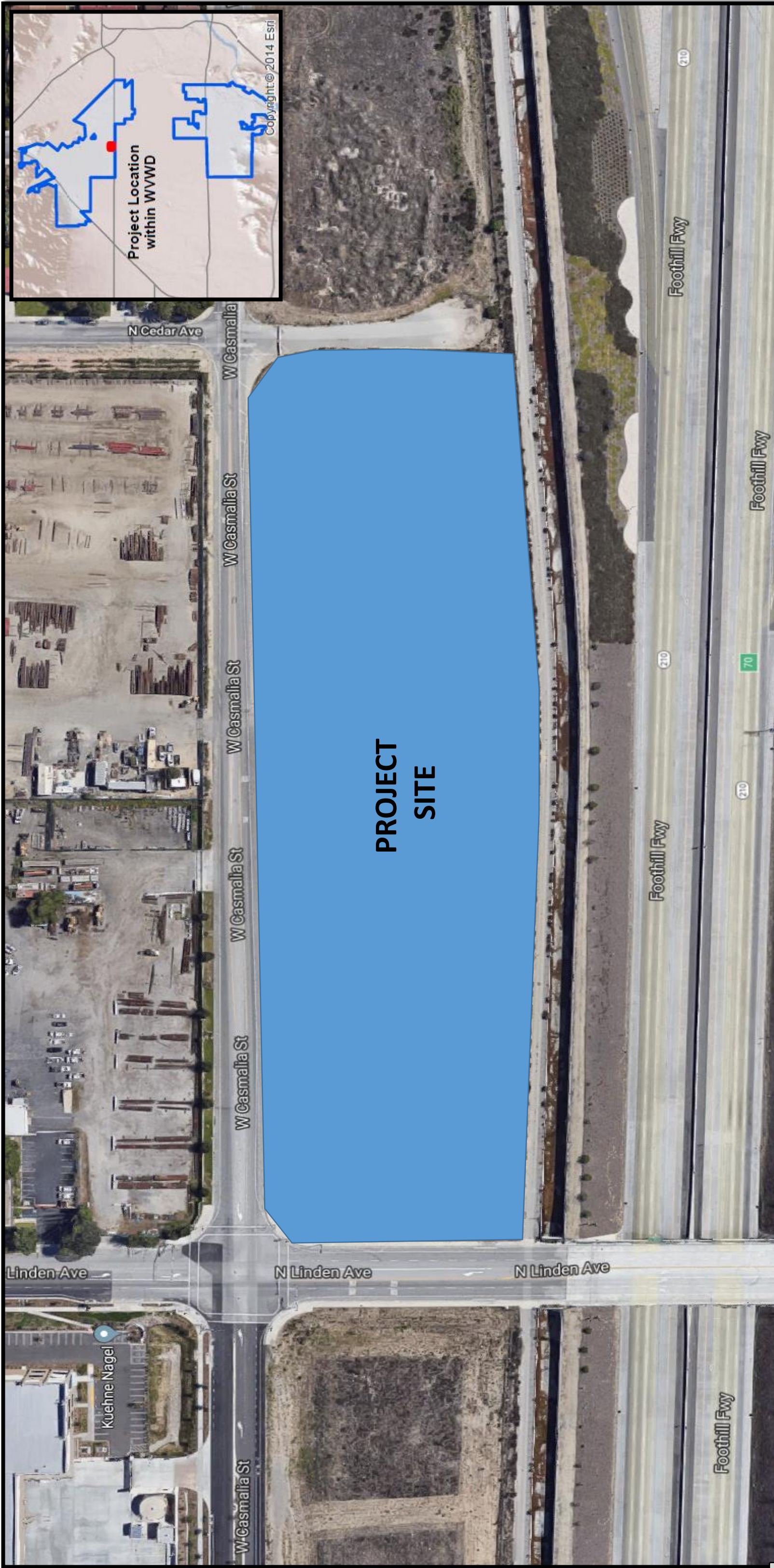


Exhibit A
Operon Renaissance Rialto

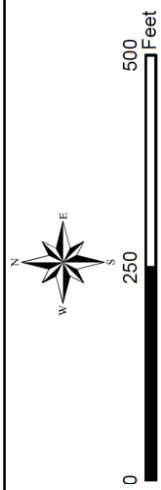


EXHIBIT B

WATER SYSTEM INFRASTRUCTURE INSTALLATION AND CONVEYANCE AGREEMENT

This water system infrastructure installation and conveyance agreement (“Agreement”) is entered into and effective as of _____ by and between **FFF RIALTO, LLC** (“Developer”), and WEST VALLEY WATER DISTRICT (“District”) who agree as follows:

The Developer is the owner of certain land described as **APN 1133-511-03-06** and as more fully (or further) shown on Exhibit "A". In developing this land, the Developer is desirous of obtaining a public water supply adequate for domestic uses and public fire protection purposes and is desirous of integrating that water system into the District’s public water system.

In order to provide facilities for a water supply to said land, it is the intention of the parties to this Agreement that the Developer shall furnish and install those water mains, fire hydrants, service laterals, water meters and valves, valve boxes, and all other appurtenant fittings and facilities required for a complete water system to serve the land shown on Exhibit "A".

In order to implement the foregoing and in consideration of the terms and conditions herein contained, the parties further agree as follows:

1. DESIGN

1.1. Developer shall design and construct, at the Developer's own expense, the water facilities and appurtenances required to serve the development in accordance with final District-approved plans known as **OPERON RENAISSANCE RIALTO**, as approved and attached herein as Exhibit "B" and in accordance with District-approved design standards and specifications, and the terms and conditions of this Agreement.

1.2. The water system design shall be by a Professional Engineer registered in the State of California, and in accordance with the District's most recent Rules and Regulations (the “Rules and Regulations”), the District's Standards for Domestic Water Facilities and Standard Drawings herein included by reference, all applicable District ordinances and policies and all City, County of San Bernardino, State of California, and Federal laws, ordinances, rules, regulations, codes and other legal requirements of all government bodies having jurisdiction over said construction and property (all of the foregoing requirements in this paragraph being collectively referred to herein at times as “Legal Requirements”).

1.3. The District, at Developer's expense, shall review Developer's plans for the purpose of ensuring the adequacy of the design and conformance with the District's standards and specifications. The District reserves the right to add, delete, modify, change or amend any or all the plans and specifications.

1.4. In the event that the property to be developed includes multiple residential, condominiums, commercial or industrial uses, all site plans, grading plans, and any available plumbing plot plans shall be furnished to the District by Developer.

1.5. The District makes no warranties as to the correctness, accuracy or completeness of the plans and specifications. The accuracy, adequacy, suitability, and correctness of the water system design shall be the sole responsibility of the Developer.

2. CONSTRUCTION

2.1. Developer shall perform, or caused to be performed, all construction of the water system infrastructure installation pursuant to the approved water system plans, and all Legal Requirements.

2.2 The performance of this Agreement shall commence within ninety (90) calendar days from the date of this Agreement and shall be completed within one (1) year from the estimated construction start date.

2.3. Time is of the essence in this Agreement; provided that, in the event good cause is shown therefore, the general manager of the District ("General Manager") may extend the time for completion of the water system installation. Any such extension may be granted without the notice to Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure faithful performance of this Agreement. The General Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

2.4. The Developer and its contractor and subcontractors shall attend a preconstruction meeting with the District at the District's headquarters no less than five (5) working days prior to commencement of construction.

2.5. No work on water facilities shall commence prior to the completion of all required curbs and gutters.

3. LICENSES AND PERMITS

3.1. Developer, and all of Developer's contractors and subcontractors warrants it possesses, or shall obtain, and maintain during the term of this Agreement any and all licenses, permits, qualifications, insurance and approval of whatever nature that are legally required of Developer, its contractors, and all subcontractors to practice its profession, skill or business.

3.2. The work to be performed under this Agreement, except meter installations, shall be performed by Developer, or a contractor or subcontractor who is pre-approved by the District and is licensed under the laws of the State of California in the specialty Class of "C-34" Pipeline or Class "A" General Engineering. A copy of the contract between Developer and the selected pre-approved contractor and all subcontractors shall be submitted to the District for review and approval.

3.3. Excavation/resurfacing permits shall be secured by Developer at Developer's expense. Permits/easements to install, maintain and operate water system facilities in private property shall be secured by Developer at Developer's own expense prior to construction.

3.4. Developer shall, at Developer's own expense, be responsible for obtaining and adhering to a National Pollution Discharge Elimination System (NPDES) permit from the Regional Water Quality Board as required for construction or pipeline flushing and disinfection.

4. INSURANCE REQUIREMENTS

4.1. The following insurance requirements have been adopted by the District and shall be applicable to this Agreement. These requirements supersede the insurance requirements set forth in any other reference of the District, and to the extent of any conflict, the specified requirements herein shall prevail.

4.2. Developer shall ensure that Developer's contractors conform to the following insurance requirements and that all required documents are submitted to the District at the time of Agreement submittal: Developer shall ensure that its contractors and all subcontractors shall purchase and maintain insurance in amounts equal to the requirements set forth in (a) through (d) below, and shall not commence work under this Agreement until all insurance required under this heading is obtained in a form acceptable to the District, nor shall Developer allow any contractor or subcontractor to commence construction pursuant to a contract or subcontract until all insurance required of the contractor and any subcontractors has been obtained.

a. General Liability: Developer shall ensure that its contractor and all subcontractors shall maintain during the life of this Agreement, a standard form of either Comprehensive General Liability insurance or Commercial General Liability insurance ("General Liability Insurance") providing the following minimum limits of liability: Combined single limit of \$1.0 million per occurrence for bodily injury, including death, personal injury, and property damage with \$2.0 million minimum aggregate, separate for this project as evidenced by endorsement. The insurance shall include coverage for each of the following hazards: Premises-Operations; Owners and Contractors Protective; Broad Form Property Damage contractual for Specific Contract; Severability of Interest or Cross-Liability; XCU Hazards; and Personal Injury – With the "Employee" Exclusive Deleted.

b. Automotive/Vehicle Liability Insurance: Developer shall ensure that its contractor and all subcontractors shall maintain a policy of automotive/vehicle liability insurance on a commercial auto liability form covering owned, non-owned and hired automobiles providing the following minimum limits of liability: Combined single limit of liability of \$1.0 million per accident for Bodily Injury, Death and Property Damage ("Automotive/Vehicle Liability Insurance").

c. Workers' Compensation Insurance: Developer shall ensure that its contractor and all subcontractors shall provide such workers' compensation insurance with statutory minimum amounts of coverage, as required by the California *Labor Code* and other applicable law, and including employer's liability insurance with a minimum limit of \$1,000,000.00 ("Workers' Compensation Insurance"). Such Workers' Compensation Insurance shall be endorsed to provide for a waiver of subrogation against the District.

d. Excess Liability: Developer shall ensure that its contractor and all subcontractors shall provide a policy providing excess coverage in a face amount necessary when

combined with the primary insurance, to equal the minimum requirements for General Liability Insurance and Automotive/Vehicle Liability Insurance.

4.3. The insurances provided for in Section 4.2 and its subsections above are subject to all of the following conditions:

a. The insurance shall be issued and underwritten by insurance companies acceptable to the District, and shall be licensed by the State of California to do business on the lines of insurance specified. The insurers must also have an "A-" Policyholder's rating" and a "financial rating" of at least Class VII in accordance with the most current A.M. Best's Rating Guide.

b. Developer's contractor and subcontractors may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

c. Any costs associated with a self-insured program, deductibles, or premium rating programs that determine premium based on loss experience shall be for the account of Developer, Developer's contractor and subcontractors, and the District shall not be required to participate in any such loss. If any such programs exist, Developer, Developer's contractor and subcontractors, agree to protect and defend the District in the same manner as if such cost provisions were not applicable.

d. Developer shall ensure that its contractor and all subcontractors shall have presented at the time of execution of the Agreement, the original policies of insurance and a certificate of insurance naming the District as the certificate holder and that such coverage is in force and complies with the terms and conditions outlined herein.

e. If an insurance policy contains a general policy aggregate of less than the minimum limits specified, then the policy coverage shall be written with limits applicable solely to this Agreement, as specified, and shall not be reduced by or impaired by any other claims arising against Developer. These policy limits shall be set forth by separate endorsement to the policy.

4.4. Each such policy of General Liability Insurance and Automotive/Vehicle Liability Insurance shall contain endorsements providing the following:

a. The District, their board members, officers, agents, employees, consultants, and engineers, are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of the Developer at or upon any of the premises of the District in connection with the Agreement with the District, or acts or omissions of the additional insureds in connection with, but limited to its general supervision or inspection of said operations and save for any claims arising from the sole negligence or sole willful misconduct the District.

b. No policy shall be canceled, limited, materially altered, or non-renewed by the insurer until thirty (30) days after receipt by the District of a written notice of such cancellation or reduction in coverage.

c. This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon to cover a loss under this policy.

5. BONDING REQUIREMENTS

5.1. Developer shall generate an engineer's cost estimate based on the water system plans provided to the District. The estimated costs, attached herein as Exhibit "C", will be submitted to the District for review and approval, and shall be used as the basis for bonding requirements for the water system described in the plans provided to the District by the Developer and approved for construction by the District. The sole intent and purpose of the engineer's estimate is to establish a cost valuation for bonding purposes only.

5.2. Performance Bond: The Developer's engineers estimate for the water system improvements for **OPERON RENAISSANCE RIALTO**, is **THREE HUNDRED TWENTY-THREE THOUSAND SIX HUNDRED SEVENTY-FIVE** no/100 dollars (\$323,675.00). Developer shall and by this Agreement does guarantee the Developer's faithful performance of this Agreement and all of its terms and conditions by providing the following: Developer shall provide the District with either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a performance bond, from a surety institution licensed by the State of California and authorized to do and doing business in said State, valid and renewable until such improvements are accepted by the District. The irrevocable letter of credit or performance bond shall be in the amount **THREE HUNDRED TWENTY-THREE THOUSAND SIX HUNDRED SEVENTY-FIVE** no/100 dollars (\$323,675.00), equal to 100 percent of the approved Developer's estimate.

5.3. Warranty Bond: The Developer's pre-approved contractor shall furnish a two-year warranty bond for all work completed in accordance with the approved plans (Exhibit "B"). Before District's acceptance of the completed water facilities and appurtenances, such facilities and appurtenances shall be free from any and all liens and encumbrances and free from any and all defects in the materials or construction thereof. The two-year warranty shall be either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a warranty bond beginning on the date of acceptance of the water facilities by the District.

6. MATERIALS

6.1. The water system facilities to be installed pursuant to this Agreement shall become an extension of the distribution system of the District. All materials used must conform to District specifications for such materials pursuant to all applicable Legal Requirements.

7. NOTICES

7.1. All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

7.2. Notices required shall be given to the **District** addressed as follows:

WEST VALLEY WATER DISTRICT
 Attn: General Manager
 Post Office Box 920
 Rialto, CA 92377
 RE: OPERON RENAISSANCE RIALTO

7.3. Notices required shall be given to **Developer** addressed as follows:

FFF Rialto, LLC
Attn: Chris Kwasizur
4 Upper Newport Plaza, Suite 100
Newport Beach, CA 92660
RE: OPERON RENAISSANCE RIALTO

7.4. Notices required shall be given to **Surety** addressed as follows:

SURETY NAME:
ATTN TO:
ADDRESS
RE: OPERON RENAISSANCE RIALTO

7.5. Provided that any party or Surety may change such address by notice in writing to the other party, and thereafter, notices shall be addressed and transmitted to the new address.

7.6. The Developer or its contractor shall provide the District forty-eight (48) hours advance notice of request for inspection or testing.

7.7. The District is closed on the holidays listed in Exhibit "D".

8. NOTICE TO PROCEED TO CONSTRUCT WATER SYSTEM FACILITIES

8.1. Upon acceptance of the insurance and aforementioned bonds and/or irrevocable letters of credit in the amounts provided herein and approval by the District and upon payment of all applicable charges, the Agreement shall be signed by Developer and the District. The District shall return an original copy of the signed Agreement with a letter to Developer giving notice to proceed to construct the water system facilities.

9. INSPECTION

9.1. It is understood that the sole purpose and intent of the District's inspection and testing is to validate that the materials, workmanship, and construction of the water facilities are in compliance with the District-approved final plans, the District's Rules and Regulations, the Standards for Domestic Water Facilities, the Standard Drawings, and all other applicable District requirements. Developer acknowledges and represents that it assumes full and sole responsibility for the safety and management of the project.

9.2. Developer shall at all times maintain proper facilities and provide safe access for inspection by the District to all parts of the work and to the shops wherein the work is in preparation. Additionally, in connection with the performance of this Agreement, the District shall have the authority to enter the work site at any time for the purpose of identifying the existence of conditions, either actual or threatened, that may present a danger of hazard to any and all employees. Developer agrees that the District, in its sole authority and discretion, may order

the immediate abatement of any and all conditions that may present an actual or threatened danger or hazard to any and all employees at the work site. Furthermore, Developer acknowledges the provisions of California *Labor Code* Section 6400 et seq., which requires that employers shall furnish employment and a place of employment that is safe and healthful for all employees working therein. In the event the District identifies the existence of any condition that presents an actual or threatened danger or hazard to any or all employees at the work site, the District is hereby authorized to order an immediate abatement of that condition.

9.3. All work and materials shall be subject to inspection, testing, and acceptance by the District at Developer's expense. In the event Developer arranges to have materials fabricated for the project, Developer may be required to arrange for the District to inspect that material during fabrication at Developer's expense.

9.4. All material fabrications shall be preapproved by the District and must conform to District standards and specifications.

9.5. The District's inspectors shall have full, unlimited access to perform continuous inspection and have the authority to stop work at any time, by written notice, without any liability whatsoever to the District, if, in the inspectors' judgment, the work called for by this Agreement, or the District approved plans, or the specifications is not being installed or performed in a satisfactory and workmanlike manner according to District's standards and specifications and/or in the event the materials do not comply with the District's standards and specifications.

9.6. Final acceptance of all material to be purchased or fabricated by Developer under this Agreement shall be made only with the prior approval of the District. Approval by the District, however, shall not operate to relieve the material supplier or Developer of any guarantees, warranties, or the duty of compliance with any of the requirements of the approved plans and specifications or of this Agreement. All construction pursuant to this Agreement shall be inspected pursuant for conformity with District requirements. Developer shall pay actual costs for inspections.

10. TESTING AND DISINFECTION

10.1. All water system facilities and components constructed pursuant to this Agreement shall adhere to all requirements for testing, disinfection, and flushing pursuant to District standards and Legal Requirements.

11. RELOCATIONS, RECONSTRUCTIONS, AND DAMAGES

11.1. Developer accepts the responsibility for and the costs occasioned by any reconstruction, relocation, damages to, or changes of water services or facilities caused or contributed to directly or indirectly by any subsequent changes in the location of any of said facilities or water meters or water services.

12. AS-CONSTRUCTED DOCUMENTATION

12.1. In order for the District to accept the facilities, Developer shall provide all required documentation as specified in the Standards for Domestic Water Facilities, including As-Built drawings.

13. INDEMNIFICATION

13.1. Developer hereby agrees to and shall protect, defend, indemnify and hold the District and its board members, officers, agents, employees, and engineers free and harmless from any and all liability losses, damages, claims, liens, demands and cause of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interests, court costs, attorney's/legal fees, and all other expenses incurred by the District arising in favor of any party, including claims, liens, debts, demands for lost wages or compensation, personal injuries, including employees or the District, death or damages to property (including property of the District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Developer save and except claims or litigation arising through the sole negligence or sole willful misconduct of the District or the District's agents and employees. Developer shall investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at the sole expense of Developer even if the claim or claims alleged are groundless, false or fraudulent. Developer agrees to, and shall defend the District and its members, directors, officers, agents, employees, and engineers from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations, provided as follows:

a. That the District does not and shall not waive any rights against Developer which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by the District, or the deposit with District by Developer, or any of the insurance policies described in this Agreement.

b. That the aforesaid hold harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any or the aforesaid operations referred to in this subsection, regardless of whether or not District has prepared, supplied water system installation, or regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

This provision is not intended to create any cause of action in favor of any third party against Developer or the District or to enlarge in any way Developer's liability but is intended solely to provide for indemnification of the District from liability for damage or injuries to third persons or property arising from Developer's performance hereunder.

13.2. Neither Developer nor any of Developer's agents, contractors or subcontractors are, or shall be, considered to be agents of the District in connection with the performance of Developer's obligations under this Agreement.

14. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

14.1. If, within a period of two years after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developer shall, without delay and without any cost to District, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work structure. Should Developer fail to act promptly or in accordance with this requirement, or should the exigencies of the situation as determined by the District in the exercise of its sole discretion require repair, replacement or reconstruction before Developer can be notified, District may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to the District the actual cost of such repairs.

15. COSTS AND FEES

15.1. Developer shall be responsible for all fees and deposits as required by the District. All fees and deposits, shall be paid in full prior to the execution of this Agreement and before construction can take place.

15.2. Any additional costs and fees shall be paid in full prior to conveyance and acceptance of the water system.

16. CONVEYANCE AND ACCEPTANCE OF WATER SYSTEM

16.1. Upon completion of the water system in accordance with the approved water plans and submission of the required documentation, the Developer shall convey the water system to the District.

16.2. The Developer shall be responsible for insuring the pre-approved contractor furnish an irrevocable letter of credit to the District or a warranty bond (One Hundred (100%) of Developer's estimate) for a period of two years as stated in Sections 5.3 of this Agreement, as-built drawings with contractor redlines and AutoCAD files, materials list with quantities, labor, equipment, and materials, water system cost breakouts, compaction test report signed and sealed by a California Registered Engineer, notice of completion filed with San Bernardino County Recorder, fire flow tests of all hydrants, all required easements for water facilities and unconditional financial release from subcontractors and material providers, Upon compliance with all the terms and conditions of this Agreement, the District shall prepare the conveyance agreement accepting the water facilities and forward same to the address provided herein. Title to the ownership of said facilities and appurtenances shall thereby be conveyed to the District. The District shall thereafter operate and maintain said facilities so as to furnish water service to the development (Exhibit "A") in accordance with the District's ordinances, policies and Rules and Regulations.

17. PERMANENT WATER SERVICE

17.1. In no event shall permanent water services be provided to Developer's installed system until all applicable charges and fees have been paid by Developer and all facilities have been conveyed, free of all encumbrances, to the District, including any easements which may be required. Such conveyance shall occur in a timely manner in accordance with the terms of this Agreement.

18. BREACH OR DEFAULT OF AGREEMENT

18.1. If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extension thereof, or fails to obtain completion of said work within such time, or if Developer should be adjudged as bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer, or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this Agreement, the District's General Manager or the General Manager's designee may serve written notice upon Developer and Developer's surety of breach of this Agreement, or of any portion therefore, and default of Developer.

18.2. In the event of any such notice, Developer's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety, within five (5) days after the serving upon of such notice of breach, does not give the District written notice of its intention to take over the performance of the contract, and does not commence performance thereof within five (5) days after notice to the District of such election, District may take over the work and prosecute the same to completion, by contract or by any other method District may deem advisable, for the account and at the expense of Developer, and Developer's surety shall be liable to the District for any excess cost or damages occasioned District thereby; and, in such event, District, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developer as may be on the site of the work and necessary therefore.

19. SUCCESSORS BOUND

19.1. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective legal representatives, successors, heirs, and assigns.

20. ENFORCEMENT OF PROVISIONS

20.1. The District's failure to enforce any provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall nevertheless be and remain in full force and effect.

[CONTINUED ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto execute this Agreement.

WEST VALLEY WATER DISTRICT

By: _____
Clarence C. Mansell, Jr., General Manager

Date: _____

DEVELOPER:

FFF RIALTO, LLC
a California Limited Liability Company

By: **FFF RIALTO, LLC**
a California Limited Liability Company

By: _____
Chris Kwasizur
Authorized Agent

Date: _____

Exhibit A

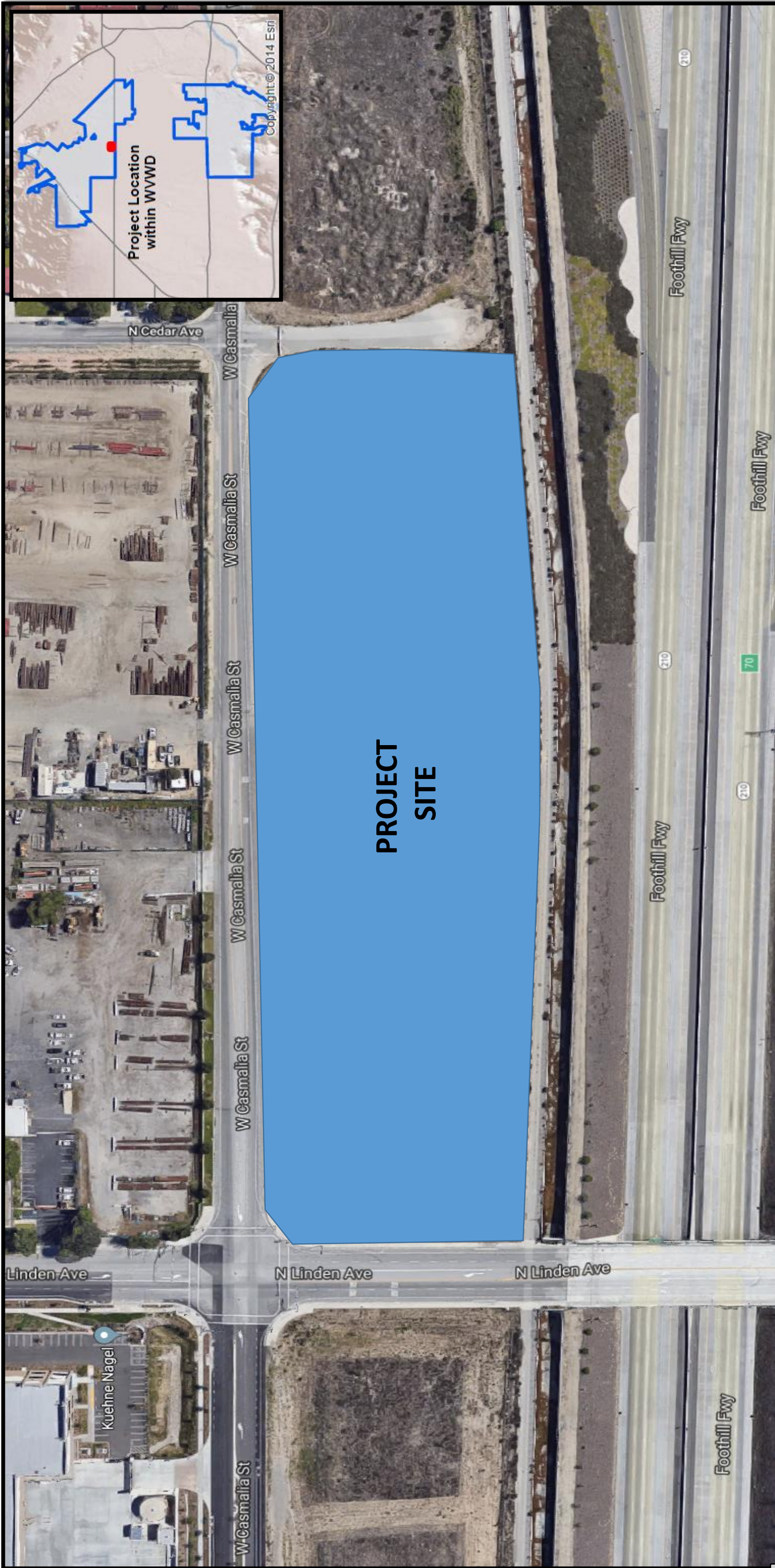


Exhibit A
Operon Renaissance Rialto

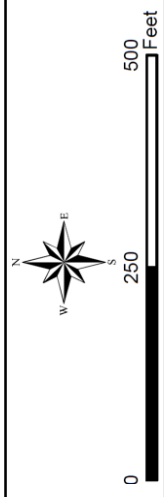


Exhibit B

WEST VALLEY WATER DISTRICT WATER IMPROVEMENT PLANS W. CASMALIA ST. & N. CEDAR AVE.

APN: 1133-511-03, 1133-511-04

CONSTRUCTION NOTES & QUANTITIES:

NO.	DESCRIPTION	QUANTITY	UNIT
WATER			
1	PROTECT EXISTING IMPROVEMENT IN PLACE.	-	-
2	REMOVE EXISTING BLIND FLANGE AND THRUST BLOCK AND CONNECT NEW WATER MAIN PER WEST VALLEY WATER DISTRICT SPECIFICATIONS.	1	EA
3	FURNISH AND INSTALL 12" CLASS 50 D.I.P. (DUCTILE IRON PIPE) WATER MAIN PER WEST VALLEY WATER DISTRICT SPECIFICATIONS.	1350	LF
4	FURNISH AND INSTALL FIRE HYDRANT ASSEMBLY PER WEST VALLEY WATER DISTRICT DWG. W-2.	5	EA
5	FURNISH AND INSTALL 2" SERVICE WITH 1-1/2" BACKFLOW PREVENTER PER WEST VALLEY WATER DISTRICT DWG. W-5 AND W-20. PIPE BETWEEN METER AND BACKFLOW SHALL BE IN A 6" PVC SCH 40 SLEEVE.	4	EA
6	FURNISH AND INSTALL 1" METER INCLUDING 1" BACKFLOW PREVENTER PER WEST VALLEY WATER DISTRICT DWG. W-4 AND W-20. PIPE BETWEEN METER AND BACKFLOW SHALL BE IN A 6" PVC SCH 40 SLEEVE.	4	EA
7	FURNISH AND INSTALL 10" FIRE SERVICE WITH 8" JOCA PER WEST VALLEY WATER DISTRICT DWG. W-15.	2	EA
8	FURNISH AND INSTALL 12" INVERTED SIPHON INCL. 4" BLOW OFF ASSEMBLY PER STD. W-7 WITH THRUST BLOCK PER WEST VALLEY WATER DISTRICT STD. W-20.	1	EA
9	FURNISH AND INSTALL 12" FLANGE BUTTERFLY VALVE AND VALVE BOX PER WEST VALLEY WATER DISTRICT STD. W-11.	3	EA
10	FURNISH AND INSTALL D.I. 12"x12" CUT-IN TEE PER WEST VALLEY WATER DISTRICT SPECIFICATIONS.	1	EA
11	SMOOTHE EXISTING PAVEMENT FOR UTILITY TRENCH AND REPLACE PAVEMENT IN KIND PER WEST VALLEY WATER DISTRICT DWG. W-1.	7910	SF

- ALL DIP SHALL BE RESTRAINED PER WEST VALLEY WATER DISTRICT STD. W-30.
- ALL FITTINGS SHALL BE MECHANICALLY RESTRAINED AS INDICATED ON THE PLAN.

WATER NOTES:

- PIPE 10" AND SMALLER SHALL BE CLASS 350 DUCTILE IRON PIPE, OR CLASS 200, OR CLASS 150, 10 GA CEMENT MORTAR LINED AND COATED STEEL PIPE GREATER THAN 12" SHALL BE THICKNESS CLASS 50 DUCTILE IRON PIPE, OR CLASS 150, 10 GA CEMENT MORTAR LINED AND COATED STEEL PIPE OR AS SPECIFIED.
- WATER SERVICE LATERALS SHALL BE TYPE K COPPER LINE, MINIMUM 1" DIAMETER, WITH 1" X 3/4" ANGLE VALVES WITH LOCK WING OR 1" X 1" ANGLE VALVES WITH LOCK WING, THERE SHALL BE A SEPARATE SERVICE FOR EACH LOT BEING SERVED, ONE SERVICE PER PIPE TRENCH.
- ALL WATER SERVICE LATERALS TO BE INSTALLED AT SAME TIME AS MAIN LINE. NO SPLICE SHALL BE ALLOWED ON COPPER SERVICE LATERAL LINE.
- WATER SERVICE LATERALS TO BE TERMINATED 12" BEHIND REAR OF CURB OR FUTURE CURB. IN CITY LIMITS TERMINATE 12" BEHIND FUTURE SIDEWALK.
- FIRE HYDRANTS SHALL BE 4", 4" X 2 1/2" - CLOW F-850, OR EQUAL, PAINTED WITH ONE COAT PRIMER AND ONE COAT YELLOW. THE 4" STEAMER OUTLET SHALL BE PERPENDICULAR TO THE CURB OR FUTURE CURB.
- DEPTH OF COVER FOR WATER SERVICE LATERALS SHALL BE MINIMUM 30"; FOR WATER MAINS 10" AND SMALLER SHALL BE MINIMUM 36"; FOR 12" AND LARGER PIPE SHALL BE MINIMUM 42" OR AS SPECIFIED ON PLANS. ALL MEASUREMENTS FROM FINISH GRADE.
- ALL WATER MAINS SHALL BE FLUSHED AND DISINFECTED PER A.W.W.A. STANDARDS C051 PRIOR TO USE AFTER INSTALLATION OR REPAIR.
- CONSTRUCTION TO BE IN ACCORDANCE WITH THE WEST VALLEY WATER DISTRICT "STANDARDS FOR DOMESTIC WATER FACILITIES."
- WATER SERVICE IS SUBJECT TO THE CURRENT DISTRICT RULES AND REGULATION AND ANY AMENDMENTS THERETO.
- IF CONSTRUCTION HAS NOT COMMENCED WITHIN TWO YEARS OF THE DISTRICT APPROVAL DATE, THIS PLAN SHALL BE RESUBMITTED TO THE DISTRICT FOR REVIEW AND APPROVAL.
- WATER LINES TO BE INSTALLED ONLY AFTER THE CONSTRUCTION OF CONCRETE CURB AND OUTER.
- CONTRACTOR TO FURNISH 2-YEAR WARRANTY BOND FOR ALL WATER FACILITIES INSTALLED WITH THIS PLAN.

PROJECT ADDRESS

SOUTHEAST CORNER OF WEST CASMALIA STREET AND NORTH LINDEN AVENUE
RALTO, CA 92377

OWNER/DEVELOPER

FFF RALTO LLC
UPPER LEVEL PLAZA, SUITE 100
1500 WEST 10TH STREET
PALMDALE, CA 93560
PHONE: 949-833-9400
CONTACT: CHRIS KWASZUR

SOILS ENGINEER

NRDVAL ENGINEERING
1000 WEST 10TH STREET
LOS ANGELES, CA 90070
PHONE: 562-799-9469
CONTACT: KEITH D. TUCKER, C.E.
PROJECT #: 20084-17 DATE: 12/29/2017

DESIGN

THIS CERTIFIES THAT THESE PLANS AND SPECIFICATIONS HAVE BEEN DESIGNED UNDER THE DIRECT SUPERVISION OF A CIVIL ENGINEER LICENSED IN THE STATE OF CALIFORNIA AND ARE IN ACCORDANCE WITH TITLE 22 CODE OF REGULATIONS CHAPTER 16 CALIFORNIA WATERWORK STANDARD OF THE STATE OF CALIFORNIA.

SIGNATURE OF DESIGNING ENGINEER _____ R.C.E. NO. & _____ DATE _____
EXPIRATION DATE _____

WATER

THIS CERTIFIES THAT THESE PLANS AND SPECIFICATIONS HAVE BEEN REVIEWED BY AND ARE ACCEPTED BY THE WEST VALLEY WATER DISTRICT AND THAT THIS DISTRICT IS WILLING AND ABLE TO SUPPLY WATER TO THIS LOCATION.

SIGNATURE _____ TITLE _____ DATE _____

FIRE

FIRE PROTECTION SYSTEM APPROVED _____ DATE _____

BY: SIGNATURE OF RALTO FIRE DEPARTMENT _____ DATE _____

- ## GENERAL NOTES:
- ALL WORK SHALL BE PERFORMED IN ACCORDANCE WITH WEST VALLEY WATER DISTRICTS STANDARDS FOR DOMESTIC WATER FACILITIES AS OF THE DATE OF PLAN APPROVAL.
 - THE CONTRACTOR SHALL ARRANGE FOR A PRE-CONSTRUCTION CONFERENCE WITH WEST VALLEY WATER DISTRICT AND THE ENGINEER AT LEAST ONE WEEK PRIOR TO BEGINNING CONSTRUCTION.
 - THE CONTRACTOR'S ATTENTION IS EXPRESSLY DIRECTED TO ALL THE REQUIREMENTS AND PROVISIONS OF THE STATE OF CALIFORNIA SAFETY REGULATIONS. CONFORMANCE THERE TO SHALL BE STRICTLY ENFORCED DURING THE ENTIRE LIFE OF THE CONTRACT. A CAL-OSHA EXCAVATION PERMIT SHALL BE REQUIRED FOR TRENCHES IN EXCESS OF 5.0 FEET IN DEPTH.
 - CONTRACTOR AGREES THAT HE SHALL ASSUME SOLE AND COMPLETE RESPONSIBILITY FOR JOB SITE CONDITIONS DURING THE COURSE OF CONSTRUCTION OF THIS PROJECT, INCLUDING SAFETY OF ALL PERSONS AND PROPERTY; THAT THIS REQUIREMENT SHALL DEFEND, INDEMNIFY AND HOLD THE OWNER, THE ENGINEER, AND HIS REPRESENTATIVE HARMLESS FROM ANY AND ALL LIABILITY, REAL OR ALLEGED, IN CONNECTION WITH THE PERFORMANCE OF WORK ON THIS PROJECT, EXCEPT FOR LIABILITY ARISING FROM THE SOLE NEGLIGENCE OF THE OWNER OR THE ENGINEER.
 - ANY CONTRACTOR PERFORMING WORK ON THIS PROJECT SHALL FAMILIARIZE HIMSELF WITH THE SITE AND SHALL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO EXISTING FACILITIES RESULTING DIRECTLY OR INDIRECTLY FROM HIS OPERATIONS, WHETHER OR NOT SUCH FACILITIES ARE SHOWN ON THESE PLANS.
 - THE CONTRACTOR SHALL UNCOVER AND VERIFY THE LOCATION AND DEPTH OF ALL EXISTING UTILITY LINES PRIOR TO EXCAVATING. THE CONTRACTOR SHALL MAKE APPROPRIATE ARRANGEMENTS FOR THE PROTECTION OF ALL UTILITIES.
 - THE CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICE ALERT AT 1-800-277-2600 PRIOR TO BEGINNING WORK.
 - THE CONTRACTOR SHALL DISPOSE OF ALL SURPLUS EXCAVATION OUTSIDE OF THE PROJECT AREA.
 - PIPE TRENCH SHALL BE EXCAVATED TRUE TO LINE AND GRADE IN ACCORDANCE WITH THE PLAN AND SPECIFICATIONS. ALL BACKFILL SHALL BE PLACED IN A MANNER SATISFACTORY TO THE ENGINEER AND IN ACCORDANCE WITH THE STANDARDS. MATERIAL FOR BACKFILL TO TWELVE (12) INCHES ABOVE THE PIPE SHALL BE GRANULAR MATERIAL WITH A MINIMUM SAND EQUIVALENT OF 30.
 - NO PILING SHALL BE INSTALLED ON FILL MATERIAL WITHOUT FIRST MEETING IN-PLACE DENSITY TESTS. COMPACTION IN INTERMEDIATE ZONE SHALL BE COMPLETED TO 30% RELATIVE COMPACTION.
 - COMPACTION TESTS SHALL BE REQUIRED FOR ALL TRENCH BACKFILL PER WEST VALLEY WATER DISTRICT STANDARDS AND SPECIFICATIONS AND/OR THE REQUIREMENTS OF ANY AGENCY HAVING JURISDICTION.
 - THE CONTRACTOR SHALL REPLACE IN KIND, TO THE SATISFACTION OF THE ENGINEER AND ANY AGENCY HAVING JURISDICTION THEREOF, ANY ROAD BASE, PAVING, CURB AND GUTTER OR OTHER IMPROVEMENTS CUT, REMOVED OR DAMAGED IN CONNECTION WITH THIS PROJECT.
 - PIPE DELIVERED TO THE SITE SHALL BE PROTECTED BY THE CONTRACTOR FROM DUST OR OTHER CONTAMINATION PRIOR TO PLACING IN TRENCH AND SHALL BE INSTALLED IN ACCORDANCE WITH DISTRICT SPECIFICATIONS OF THE DISTRICTS INSPECTOR.
 - NO ANIMAL, FOWL OR RODENT CAN ENTER THE PRELINE.
 - ALL WORK SHALL BE INSPECTED BY THE WEST VALLEY WATER DISTRICT OR ITS DULY AUTHORIZED AGENT. THE CONTRACTOR SHALL NOT PROCEED WITH ANY SUBSEQUENT PHASE OF WORK UNTIL THE PREVIOUS PHASE HAS BEEN INSPECTED AND APPROVED. INSPECTION SHALL BE MADE OF THE FOLLOWING PHASES OF WORK:
 - TRENCHING, INSTALLATION OF PIPE, VALVES, FITTINGS, VENTS, BACKFILL AND COMPACTION.
 - LEAKAGE TESTING.
 - VALVES AND VALVE BOXES RAISED TO GRADE, LINES FLUSHED AND FINAL INSPECTION.
 - THE CONTRACTOR SHALL GIVE AT LEAST 2 WORKING DAYS NOTICE WHEN INSPECTIONS OR ENGINEERING JUDGMENTS BECOME NECESSARY AS SET FORTH IN THESE PLANS.

PRIVATE ENGINEERS NOTICE TO CONTRACTORS

THE EXISTENCE AND LOCATION OF ANY UNDERGROUND UTILITY PIPES, CONDUITS OR STRUCTURES SHOWN ON THESE PLANS WERE OBTAINED BY A SEARCH OF THE AVAILABLE RECORDS. TO THE BEST OF OUR KNOWLEDGE, THERE ARE NO EXISTING UTILITIES EXCEPT AS SHOWN ON THESE PLANS. THE CONTRACTOR IS REQUIRED TO TAKE ALL DUE PRECAUTIONARY MEASURES TO PROTECT THE UTILITY LINES SHOWN ON THESE DRAWINGS. THE CONTRACTOR FURTHER ASSUMES ALL LIABILITY AND RESPONSIBILITY FOR THE UTILITY PIPES, CONDUITS OR STRUCTURES SHOWN OR NOT SHOWN ON THESE DRAWINGS.

CONTRACTOR FURTHER AGREES THAT HE SHALL ASSUME SOLE AND COMPLETE RESPONSIBILITY FOR JOB SITE CONDITIONS DURING THE COURSE OF CONSTRUCTION OF THIS PROJECT, INCLUDING SAFETY OF ALL PERSONS AND PROPERTY; THAT THIS REQUIREMENT SHALL APPLY CONTINUOUSLY AND NOT BE LIMITED TO NORMAL WORKING HOURS; THAT THE CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD THE COUNTY, THE OWNER, AND THE ENGINEER HARMLESS FROM ANY AND ALL LIABILITY, REAL OR ALLEGED, IN CONNECTION WITH THE PERFORMANCE OF WORK ON THIS PROJECT EXCEPT FOR LIABILITY ARISING FROM THE SOLE NEGLIGENCE OF THE OWNER OR THE ENGINEER.

CONTRACTOR SHALL VERIFY ALL CONDITIONS AND DIMENSIONS AND SHALL REPORT ALL DISCREPANCIES TO THE ENGINEER PRIOR TO THE COMMENCEMENT OF ANY WORK. IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO NOTIFY THE ENGINEER OF ANY DISCREPANCIES. BEGINNING OF WORK MEANS ACCEPTANCE OF CONDITIONS.

CONTRACTOR SHALL COMPLY WITH ALL N.P.D.E.S. REQUIREMENTS.

CONTRACTOR SHALL ADJUST TO FINISH GRADE ALL MANHOLE RIMS, WATER VALVE BOXES, UTILITY BOXES AND LIDS, ETC.

THE ENGINEER PREPARING THESE PLANS SHALL NOT BE HELD RESPONSIBLE OR LIABLE FOR UNAUTHORIZED CHANGES TO OR USES OF THESE PLANS. ALL CHANGES TO THESE PLANS SHALL BE REQUESTED IN WRITING AND MUST BE APPROVED BY THE ENGINEER OF RECORD.

QUANTITIES SHOWN HEREON ARE PROVIDED FOR PERMIT AND BONDING PURPOSES ONLY. CONTRACTOR SHALL BE RESPONSIBLE FOR DETERMINING THEIR OWN QUANTITIES PRIOR TO BIDDING AND CONSTRUCTION. THE ENGINEER IS NOT RESPONSIBLE FOR DISCREPANCIES IN FINAL CONSTRUCTION QUANTITIES.

UTILITY PURVEYORS

WATER	WEST VALLEY WATER DISTRICT RALTO, CALIFORNIA 92377 (909) 875-1804	ELECTRIC	SOUTHERN CALIFORNIA EDISON RALTO, CALIFORNIA 92376 (909) 875-1804	TELEPHONE	AT&T S. ANAHEIM BOULEVARD, SUITE 320 ANAHEIM, CALIFORNIA 92805 (714) 284-5488
SEWER	CITY OF RALTO 251 EAST FIRST STREET, AVENUE RALTO, CALIFORNIA 92376 (909) 421-7229	GAS	THE GAS COMPANY 251 EAST FIRST STREET, S02800 RALTO, CALIFORNIA 92375 (909) 845-0768	CABLE TV	ADELPHIA CABLE 1977 W. EDWARDS BOULEVARD, *B PALMDALE, CALIFORNIA 92375 (888) 883-1000

LEGEND

TC	TOP OF CURB	LS	LANDSCAPE AREA
TG	TOP OF GRATE	EB	EDGE OF PAVEMENT
FF	FINISHED FLOOR	GB	GRADE BREAK
FS	FINISHED SURFACE	HP	HIGH POINT
FL	FLOW LINE	BCR	BECON CURB RETURN
FG	FINISHED GRADE	ECR	END CURB RETURN
BW	BACK OF WALK	(100.36)	EXISTING ELEVATION
INV	INVERT	100.36	PROPOSED ELEVATION

BENCHMARK

ELEVATION=1465.719 (NAVD98) B.M. No. 035-88
DESCRIPTION: BEING A FOUND BRASS DISK IN BASE OF STREET LIGHT AT THE CORNER OF NORWOOD STREET AND CACTUS AVENUE.

UNDERGROUND SERVICE ALERT

CALL-TOLL FREE
1-800-277-2600
TWO WORKING DAYS BEFORE YOU DIG

BASIS OF BEARINGS

BEARINGS SHOWN HEREON ARE BASED UPON THE WEST LINE OF SECTION 27, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, BEING NORTH 07°12'1" WEST PER CERTIFICATE OF COMPLIANCE #183 LOT LINE ADJUSTMENT RECORDED JULY 23, 2008 AS INSTRUMENT NUMBER 2008-0336165.

INDEX TO SHEETS

- SHEET 1 TITLE SHEET
- SHEET 2 WATER IMPROVEMENTS
- SHEET 3 WATER IMPROVEMENTS

VICINITY MAP

SCALE: NONE

KEY MAP

SCALE: 1" = 200'

TYPICAL STREET SECTION

NOT TO SCALE

REVISIONS

NUMBER	DATE	DESCRIPTION	APPD	DATE

PROPOSED PCC PAVEMENT/SIDEWALK

EXISTING PCC SIDEWALK
PROPOSED TRENCH REPAIR

PROPOSED 10' SLOPE

EXISTING 10' SLOPE

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED 8" WATER

EXISTING 8" WATER

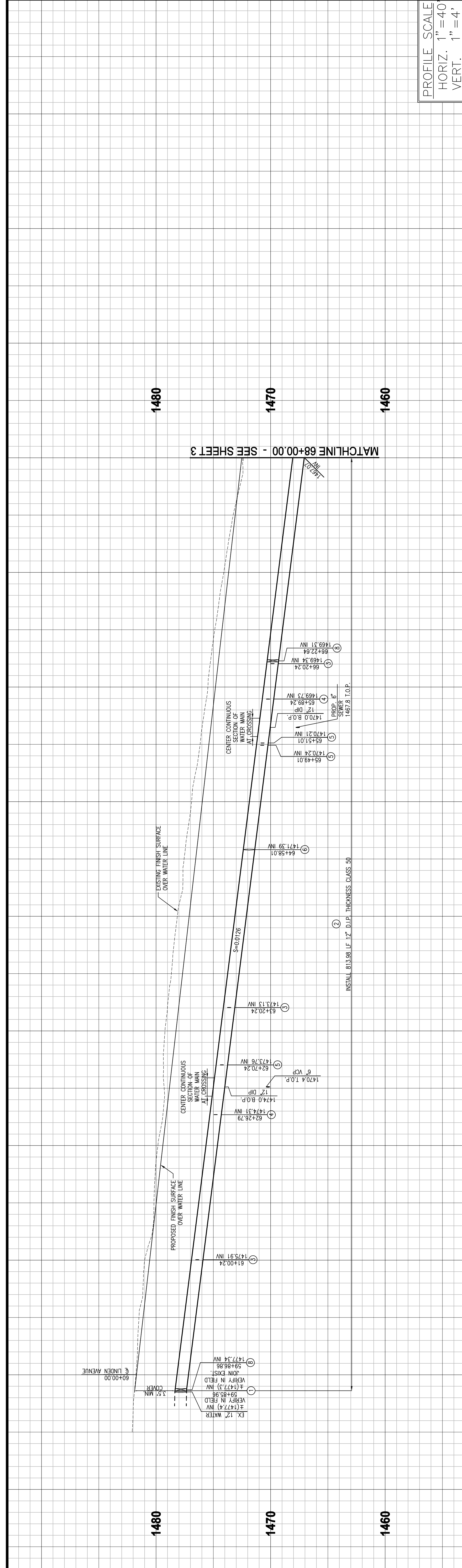
PROPOSED 4-5' D.I.C.

EXISTING 4-5' D.I.C.

PROPOSED 12" WATER

EXISTING 12" WATER

PROPOSED



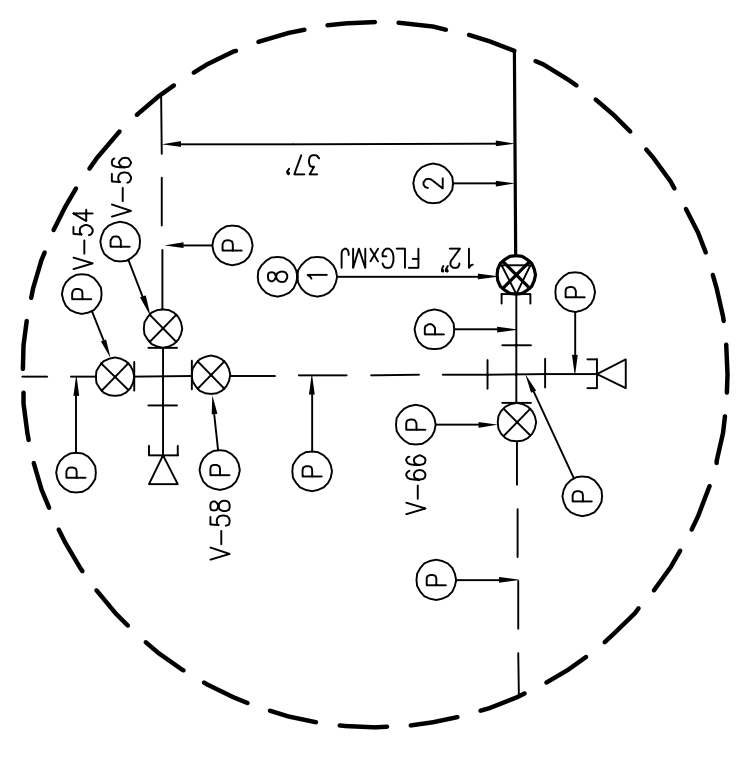
PROFILE SCALE
HORIZ. 1" = 40'
VERT. 1" = 4'

1480 1470 1460
MATCHLINE 68+00.00 - SEE SHEET 3
68+00 67+00 66+00 65+00 64+00 63+00 62+00 61+00 60+00

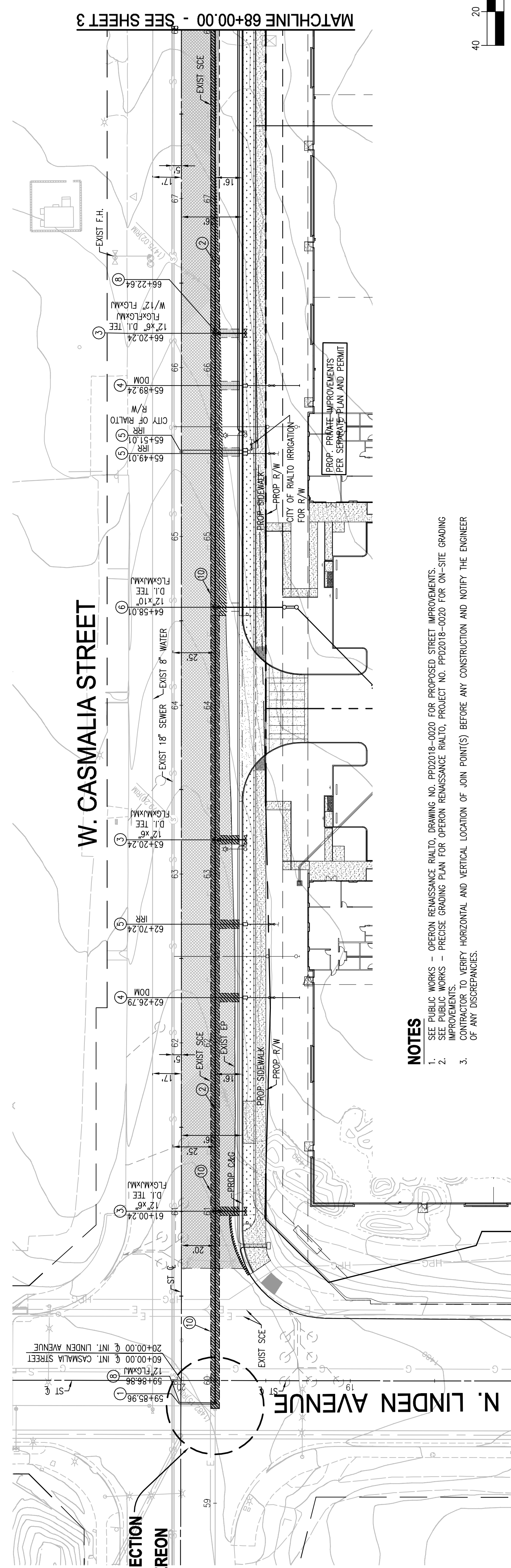
CONSTRUCTION NOTES

NO.	DESCRIPTION
WATER	
1	PROTECT EXISTING IMPROVEMENT IN PLACE.
2	REMOVE EXISTING BLIND FLANGE AND THRUST BLOCK AND CONNECT NEW WATER MAIN PER WEST VALLEY WATER DISTRICT SPECIFICATIONS.
3	FURNISH AND INSTALL 12" CLASS 50 D.I.P. (DUCTILE IRON PIPE) WATER MAIN PER WEST VALLEY WATER DISTRICT SPECIFICATIONS.
4	FURNISH AND INSTALL FIRE HYDRANT ASSEMBLY PER WEST VALLEY WATER DISTRICT DWG. W-2.
5	FURNISH AND INSTALL 2" SERVICE WITH 1-1/2" METER INCLUDING 1-1/2" BACKFLOW PREVENTER PER WEST VALLEY WATER DISTRICT DWG. W-3 AND W-20. PIPE BETWEEN METER AND BACKFLOW SHALL BE IN A 6" PVC SCH 40 SLEEVE.
6	FURNISH AND INSTALL 1" SERVICE WITH 1" METER INCLUDING 1" BACKFLOW PREVENTER PER WEST VALLEY WATER DISTRICT DWG. W-4 AND W-20. PIPE BETWEEN METER AND BACKFLOW SHALL BE IN A 6" PVC SCH 40 SLEEVE.
7	FURNISH AND INSTALL 10" FIRE SERVICE WITH 8" DCDA PER WEST VALLEY WATER DISTRICT DWG. W-15.
8	FURNISH AND INSTALL 12" INVERTED SIPHON INCL. 4" BLOW OFF ASSEMBLY PER STD. W-7 WITH THRUST BLOCK PER WEST VALLEY WATER DISTRICT STD. W-11.
9	FURNISH AND INSTALL 12" FLANGE BUTTERFLY VALVE AND VALVE BOX PER WEST VALLEY WATER DISTRICT STD. W-11.
10	FURNISH AND INSTALL D.I. 12"x12" CUT-IN TEE PER WEST VALLEY WATER DISTRICT SPECIFICATIONS.
11	SAWCUT EXISTING PAVEMENT FOR UTILITY TRENCH AND REPLACE PAVEMENT IN KIND PER WEST VALLEY WATER DISTRICT DWG. W-1.

ALL DIP SHALL BE RESTRAINED PER WEST VALLEY WATER DISTRICT STD. W-30.
ALL FITTINGS SHALL BE MECHANICALLY RESTRAINED AS INDICATED ON THE PLAN.

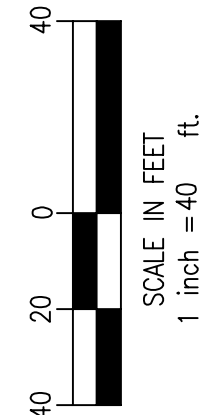


CONNECTION DETAIL
STATION 59+85.96
NOT TO SCALE



NOTES

- SEE PUBLIC WORKS - OPERON RENAISSANCE RIALTO, DRAWING NO. PP02018-0020 FOR PROPOSED STREET IMPROVEMENTS.
- SEE PUBLIC WORKS - PRECISE GRADING PLAN FOR OPERON RENAISSANCE RIALTO, PROJECT NO. PP02018-0020 FOR ON-SITE GRADING IMPROVEMENTS.
- CONTRACTOR TO VERIFY HORIZONTAL AND VERTICAL LOCATION OF JOIN POINT(S) BEFORE ANY CONSTRUCTION AND NOTIFY THE ENGINEER OF ANY DISCREPANCIES.



<p>UNDERGROUND SERVICE ALERT</p> <p>CALL-TOLL FREE 1-800-277-2600</p> <p>TWO WORKING DAYS BEFORE YOU DIG</p>	<p>BENCHMARK</p> <p>ELEVATION=1465.719 (NAVD88) B.M. No. 035-88 DESCRIPTION: BEING A FOUND BRASS DISK IN BASE OF STREET LIGHT AT THE NE CORNER OF NORWOOD STREET AND CACTUS AVENUE.</p>	<p>BASIS OF BEARINGS</p> <p>BEARINGS SHOWN HEREON ARE BASED UPON THE WEST LINE OF SECTION 27, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, BEING NORTH 09°12'1" WEST PER CERTIFICATE OF COMPLIANCE #183 LOT LINE ADJUSTMENT RECORDED JULY 23, 2008 AS INSTRUMENT NUMBER 2008-0336166.</p>	<p>REVISIONS</p> <table border="1"> <thead> <tr> <th>NUMBER</th> <th>DATE</th> <th>DESCRIPTION</th> <th>APPD</th> <th>DATE</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	NUMBER	DATE	DESCRIPTION	APPD	DATE						<p>ALDEN & ASSOCIATES CIVIL ENGINEERS LAND SURVEYORS PLANNERS</p> <p>2552 WHITE ROAD, SUITE B, IRVINE, CA 92614 (949) 860-0110 FAX: 860-0418</p>	<p>WEST VALLEY WATER DISTRICT WATER LINE IMPROVEMENT PLANS OPERON RENAISSANCE RIALTO W. CASMALIA STREET (N. LINDEN TO N. CEDAR)</p>	<p>JOB NUMBER 1818-944-001</p>
				NUMBER	DATE	DESCRIPTION	APPD	DATE								
<p>DATE: 2/14/2019</p>																
<p>DRAWN: SB/SK</p>		<p>CHECKED: MW</p>		<p>SHEET 2 OF 3</p>		<p>DATE</p>										

Exhibit C

Exhibit D

BOARD OF DIRECTORS

Dr. Michael Taylor
President, Board of Directors
Kyle Crowther
Vice President, Board of Directors
Dr. Clifford O. Young, Sr.
Director
Greg Young
Director
Donald Olinger
Director
Crystal L. Escalera
Board Secretary
Patricia Romero
Assistant to the Board Secretary



ESTABLISHED AS A PUBLIC AGENCY IN 1952
WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
WATER-USE EFFICIENCY AND CONSERVATION.

ADMINISTRATIVE

3.c.b

Clarence C. Mansell, Jr.
Interim General Manager
Ricardo Pacheco
Assistant General Manager
Deborah L. Martinez
*Human Resources
and Risk Manager*
Naisha Davis
Chief Financial Officer

2018 HOLIDAY LIST

MONDAY, DECEMBER 24	CHRISTMAS EVE
TUESDAY, DECEMBER 25	CHRISTMAS
MONDAY, DECEMBER 31	NEW YEAR'S EVE

2019 HOLIDAY LIST

TUESDAY, JANUARY 1	NEW YEAR'S DAY
MONDAY, JANUARY 21	MARTIN LUTHER KING, JR.
MONDAY, FEBRUARY 18	PRESIDENT'S DAY
MONDAY, MAY 27	MEMORIAL DAY
THURSDAY, JULY 4	INDEPENDENCE DAY
MONDAY, SEPTEMBER 2	LABOR DAY
MONDAY, NOVEMBER 11	VETERANS DAY (OBSERVED)
THURSDAY, NOVEMBER 28	THANKSGIVING
FRIDAY, NOVEMBER 29	DAY AFTER THANKSGIVING
TUESDAY, DECEMBER 24	CHRISTMAS EVE
WEDNESDAY, DECEMBER 25	CHRISTMAS
TUESDAY, DECEMBER 31	NEW YEAR'S EVE

2020 HOLIDAY LIST

WEDNESDAY, JANUARY 1	NEW YEAR'S DAY
MONDAY, JANUARY 20	MARTIN LUTHER KING, JR.



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: April 10, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., General Manager
SUBJECT: CONSIDER A WATER SYSTEM INFRASTRUCTURE INSTALLATION
 AND CONVEYANCE AGREEMENT EL RIVINO INDUSTRIAL I, LLC.

BACKGROUND:

On September 20, 2018, the Board of Directors approved a Water System Infrastructure Installation and Conveyance Agreement (“Agreement”), with Oakmont El Rivino, LLC, for a development located at the northeast corner of Cactus Avenue and El Rivino Road in the unincorporated community of Bloomington, as shown in **Exhibit A**. At the request of the property owner, the approved Agreement, shown in **Exhibit B**, was revised to name El Rivino Industrial I, LLC as the “Developer” for the project and not Oakmont El Rivino, LLC. The proposed phase development still includes the construction and operation of a 1,264,281 square-foot warehouse with offices in the first phase, and a second 984,581 square-foot warehouse with offices in the second phase. The development is still required to construct a new 12-inch water main on El Rivino Road and Cactus Avenue and install water services for domestic, fire and irrigation purposes.

DISCUSSION:

In order to incorporate the Developer name change, the West Valley Water District (“District”) and El Rivino Industrial I, LLC will need to enter into a new Agreement. This Agreement will outline the responsibilities of the Developer in constructing facilities, including insurance, indemnification and bonding requirements as well as conveyance and acceptance of the water system by the District. Attached as **Exhibit C** is the revised copy of the Water System Infrastructure Installation and Conveyance Agreement for this development.

FISCAL IMPACT:

No fiscal impact to the District.

STAFF RECOMMENDATION:

It is recommended that the Engineering, Operations and Planning Committee approve the new Water System Infrastructure Installation and Conveyance Agreement with El Rivino Industrial I, LLC. and have this item considered by the full Board of Directors at a future meeting.

Respectfully Submitted,



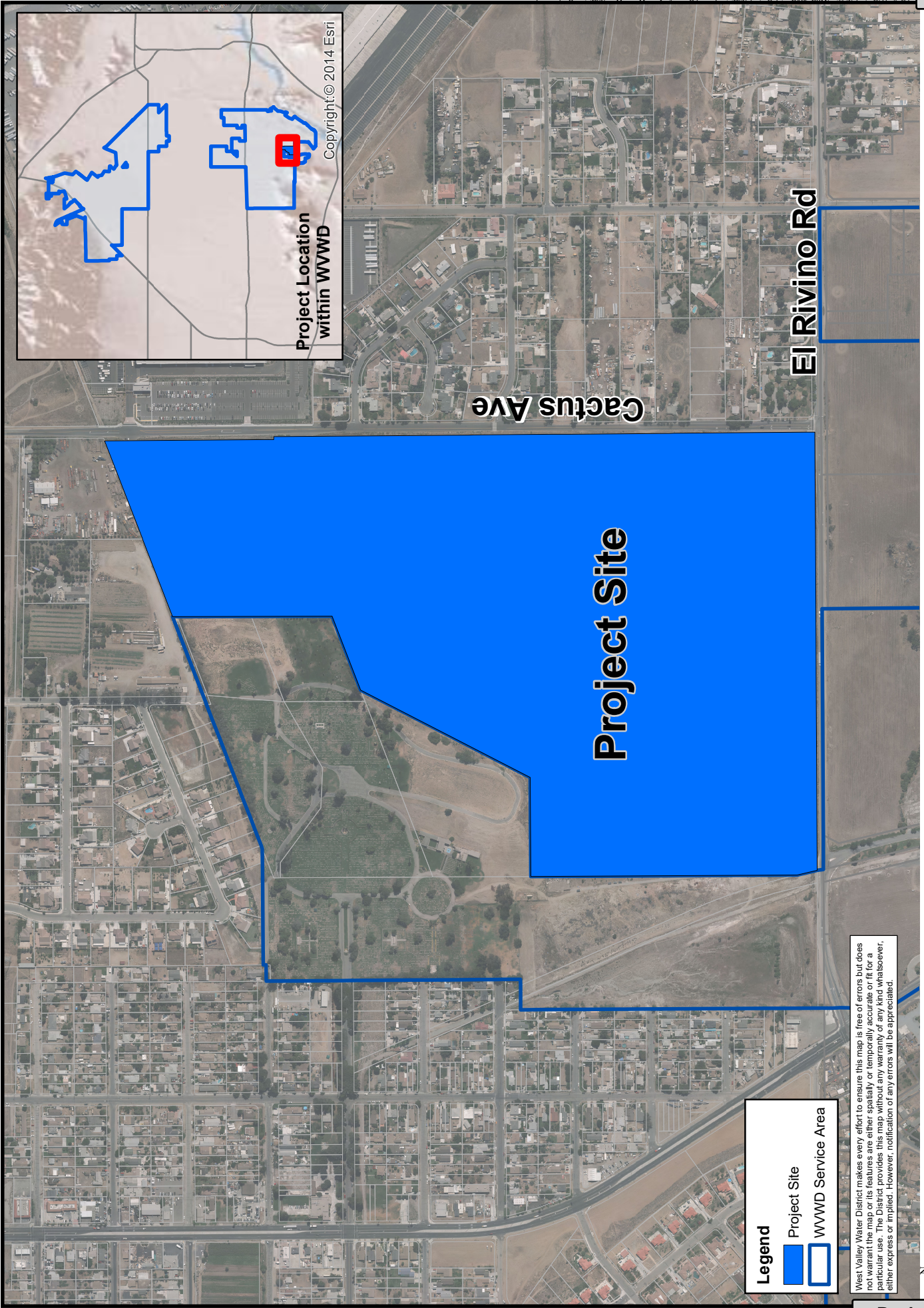
Clarence Mansell Jr, General Manager

AN:ce

ATTACHMENT(S):

1. Exhibit A - Aerial Map
2. Exhibit B - Water System Infract Agreement with Oakmont El Rivino
3. Exhibit C - Water System Agreement with El Rivino Industrial I, LLC

EXHIBIT A



Project Location
within WVWD
Copyright © 2014 Esri

Project Site

El Rivino Rd

Cactus Ave

Legend

- Project Site
- WWWD Service Area

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.



Exhibit A
El Rivino and Cactus Ave



Date: 8/20/2018

EXHIBIT B



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: September 20, 2018
TO: Board of Directors
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: CONSIDER A WATER SYSTEM INFRASTRUCTURE INSTALLATION
AND CONVEYANCE AGREEMENT WITH OAKMONT EL RIVINO, LLC

BACKGROUND:

Oakmont El Rivino, LLC. ("Developer") is the owner of land located at the northwest corner of Cactus Avenue and El Rivino Road in the unincorporated community of Bloomington, known as 3520 S. Cactus Avenue ("Development"), as shown in **Exhibit A**. The proposed development has two phases and will begin by constructing a 1,264,281 square-foot warehouse with offices in the first phase, and a second 984,581 square-foot warehouse with offices in the second phase. In developing this land, the Developer is required to construct a new 12-inch water main on El Rivino Road and Cactus Ave and install water services for domestic, fire and irrigation purposes.

DISCUSSION:

In order to construct the water facilities needed to supply water to the Development, West Valley Water District ("District") and the Developer wish to enter into a Developer-Installed Water System Infrastructure Installation and Conveyance Agreement ("Agreement"). This Agreement outlines the responsibilities of the Developer in constructing facilities, including insurance, indemnification and bonding requirements as well as conveyance and acceptance of the water system by the District. Attached as **Exhibit B** is a copy of the Water System Infrastructure Installation and Conveyance Agreement for this development.

FISCAL IMPACT:

No fiscal impact to the District.

STAFF RECOMMENDATION:

The Engineering and Planning Committee recommends the Board of Directors to approve the Water System Infrastructure Installation and Conveyance Agreement with Oakmont El Rivino LLC.

Respectfully Submitted,

Clarence C. Mansell Jr.

Clarence Mansell Jr., Interim General Manager

DG:ce

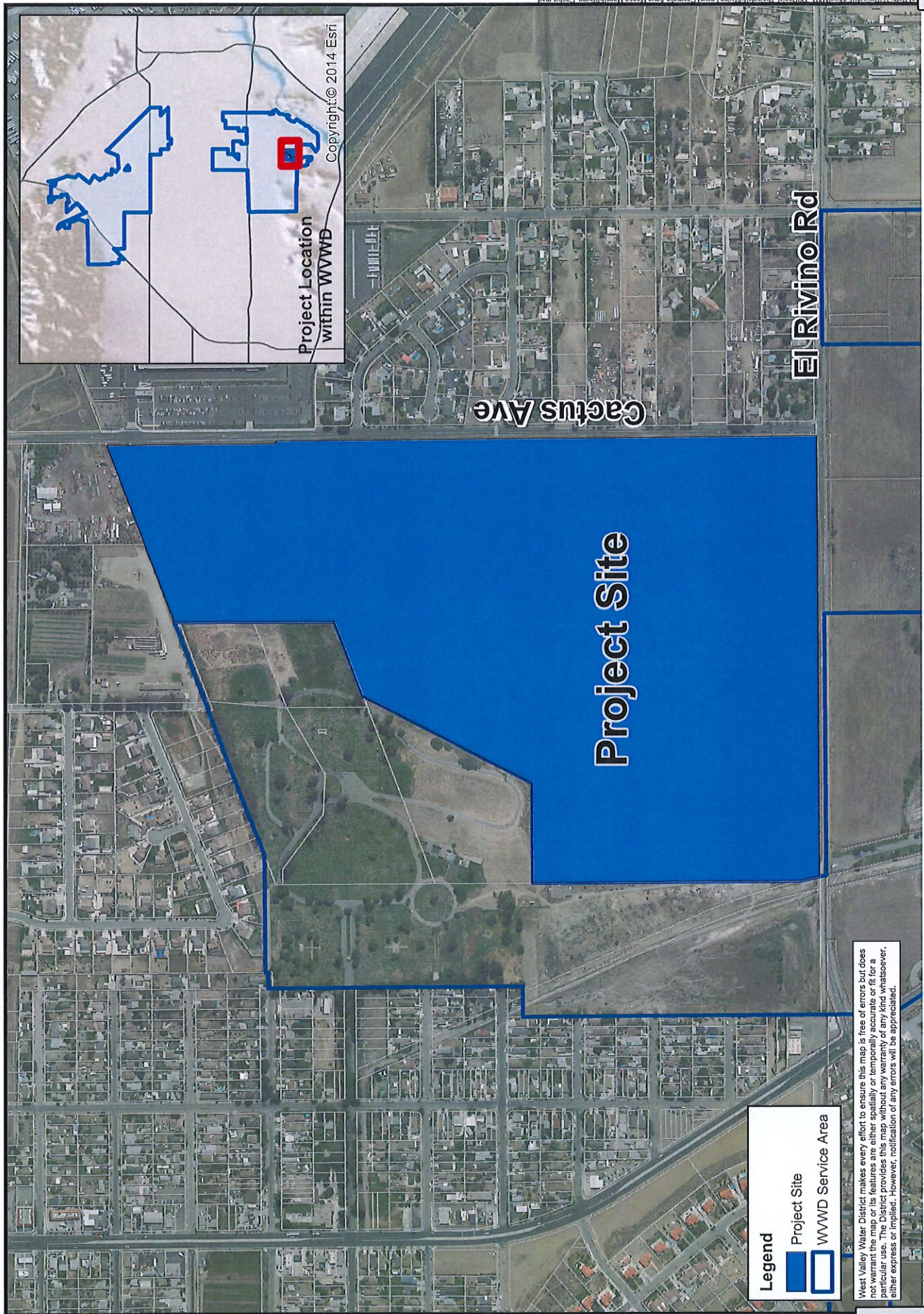
ATTACHMENT(S):

1. Exhibit A - Aerial Map
2. Exhibit B - Water System Infrastructure Installation and Conveyance Agreement

MEETING HISTORY:

09/10/18 Engineering and Planning Committee REFERRED TO BOARD

EXHIBIT A



Project Location
within WVWD

Copyright © 2014 Esri

Legend

- Project Site
- WVWD Service Area

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.



Exhibit A
El Rivino and Cactus Ave

Date: 8/20/2018



EXHIBIT B

WATER SYSTEM INFRASTRUCTURE INSTALLATION AND CONVEYANCE AGREEMENT

This water system infrastructure installation and conveyance agreement (“Agreement”) is entered into and effective as of _____ by and between **OAKMONT EL RIVINO, LLC** (“Developer”), and **WEST VALLEY WATER DISTRICT** (“District”) who agree as follows:

The Developer is the owner of certain land described as **El Rivino Industrial I, LLC – Phase I** and as more fully (or further) shown on Exhibit "A". In developing this land, the Developer is desirous of obtaining a public water supply adequate for domestic uses and public fire protection purposes and is desirous of integrating that water system into the District’s public water system.

In order to provide facilities for a water supply to said land, it is the intention of the parties to this Agreement that the Developer shall furnish and install those water mains, fire hydrants, service laterals, water meters and valves, valve boxes, and all other appurtenant fittings and facilities required for a complete water system to serve the land shown on Exhibit "A".

In order to implement the foregoing and in consideration of the terms and conditions herein contained, the parties further agree as follows:

1. DESIGN

1.1. Developer shall design and construct, at the Developer's own expense, the water facilities and appurtenances required to serve the development in accordance with final District-approved plans known as **Water Improvement Plans for El Rivino Industrial I, LLC – Phase I**, as approved and attached herein as Exhibit "B" and in accordance with District-approved design standards and specifications, and the terms and conditions of this Agreement.

1.2. The water system design shall be by a Professional Engineer registered in the State of California, and in accordance with the District's most recent Rules and Regulations (the “Rules and Regulations”), the District's Standards for Domestic Water Facilities and Standard Drawings herein included by reference, all applicable District ordinances and policies and all City, County of San Bernardino, State of California, and Federal laws, ordinances, rules, regulations, codes and other legal requirements of all government bodies having jurisdiction over said construction and property (all of the foregoing requirements in this paragraph being collectively referred to herein at times as “Legal Requirements”).

1.3. The District, at Developer's expense, shall review Developer's plans for the purpose of ensuring the adequacy of the design and conformance with the District's standards and specifications. The District reserves the right to add, delete, modify, change or amend any or all the plans and specifications.

1.4. In the event that the property to be developed includes multiple residential, condominiums, commercial or industrial uses, all site plans, grading plans, and any available plumbing plot plans shall be furnished to the District by Developer.

1.5. The District makes no warranties as to the correctness, accuracy or completeness of the plans and specifications. The accuracy, adequacy, suitability, and correctness of the water system design shall be the sole responsibility of the Developer.

2. CONSTRUCTION

2.1. Developer shall perform, or caused to be performed, all construction of the water system infrastructure installation pursuant to the approved water system plans, and all Legal Requirements.

2.2. The performance of this Agreement shall commence within ninety (90) calendar days from the date of this Agreement and shall be completed within one (1) year from the estimated construction start date.

2.3. Time is of the essence in this Agreement; provided that, in the event good cause is shown therefore, the general manager of the District ("General Manager") may extend the time for completion of the water system installation. Any such extension may be granted without the notice to Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure faithful performance of this Agreement. The General Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

2.4. The Developer and its contractor and subcontractors shall attend a preconstruction meeting with the District at the District's headquarters no less than five (5) working days prior to commencement of construction.

2.5. No work on water facilities shall commence prior to the completion of all required curbs and gutters.

3. LICENSES AND PERMITS

3.1. Developer, and all of Developer's contractors and subcontractors warrants it possesses, or shall obtain, and maintain during the term of this Agreement any and all licenses, permits, qualifications, insurance and approval of whatever nature that are legally required of Developer, its contractors, and all subcontractors to practice its profession, skill or business.

3.2. The work to be performed under this Agreement, except meter installations, shall be performed by Developer, or a contractor or subcontractor who is pre-approved by the District and is licensed under the laws of the State of California in the specialty Class of "C-34" Pipeline or Class "A" General Engineering. A copy of the contract between Developer and the selected pre-approved contractor and all subcontractors shall be submitted to the District for review and approval.

3.3. Excavation/resurfacing permits shall be secured by Developer at Developer's expense. Permits/easements to install, maintain and operate water system facilities in private property shall be secured by Developer at Developer's own expense prior to construction.

3.4. Developer shall, at Developer's own expense, be responsible for obtaining and adhering to a National Pollution Discharge Elimination System (NPDES) permit from the Regional Water Quality Board as required for construction or pipeline flushing and disinfection.

4. INSURANCE REQUIREMENTS

4.1. The following insurance requirements have been adopted by the District and shall be applicable to this Agreement. These requirements supersede the insurance requirements set forth in any other reference of the District, and to the extent of any conflict, the specified requirements herein shall prevail.

4.2. Developer shall ensure that Developer's contractors conform to the following insurance requirements and that all required documents are submitted to the District at the time of Agreement submittal: Developer shall ensure that its contractors and all subcontractors shall purchase and maintain insurance in amounts equal to the requirements set forth in (a) through (d) below, and shall not commence work under this Agreement until all insurance required under this heading is obtained in a form acceptable to the District, nor shall Developer allow any contractor or subcontractor to commence construction pursuant to a contract or subcontract until all insurance required of the contractor and any subcontractors has been obtained.

a. General Liability: Developer shall ensure that its contractor and all subcontractors shall maintain during the life of this Agreement, a standard form of either Comprehensive General Liability insurance or Commercial General Liability insurance ("General Liability Insurance") providing the following minimum limits of liability: Combined single limit of \$1.0 million per occurrence for bodily injury, including death, personal injury, and property damage with \$2.0 million minimum aggregate, separate for this project as evidenced by endorsement. The insurance shall include coverage for each of the following hazards: Premises-Operations; Owners and Contractors Protective; Broad Form Property Damage contractual for Specific Contract; Severability of Interest or Cross-Liability; XCU Hazards; and Personal Injury – With the "Employee" Exclusive Deleted.

b. Automotive/Vehicle Liability Insurance: Developer shall ensure that its contractor and all subcontractors shall maintain a policy of automotive/vehicle liability insurance on a commercial auto liability form covering owned, non-owned and hired automobiles providing the following minimum limits of liability: Combined single limit of liability of \$1.0 million per accident for Bodily Injury, Death and Property Damage ("Automotive/Vehicle Liability Insurance").

c. Workers' Compensation Insurance: Developer shall ensure that its contractor and all subcontractors shall provide such workers' compensation insurance with statutory minimum amounts of coverage, as required by the California *Labor Code* and other applicable law, and including employer's liability insurance with a minimum limit of \$1,000,000.00 ("Workers' Compensation Insurance"). Such Workers' Compensation Insurance shall be endorsed to provide for a waiver of subrogation against the District.

d. Excess Liability: Developer shall ensure that its contractor and all subcontractors shall provide a policy providing excess coverage in a face amount necessary when

combined with the primary insurance, to equal the minimum requirements for General Liability Insurance and Automotive/Vehicle Liability Insurance.

4.3. The insurances provided for in Section 4.2 and its subsections above are subject to all of the following conditions:

a. The insurance shall be issued and underwritten by insurance companies acceptable to the District, and shall be licensed by the State of California to do business on the lines of insurance specified. The insurers must also have an "A-" Policyholder's rating" and a "financial rating" of at least Class VII in accordance with the most current A.M. Best's Rating Guide.

b. Developer's contractor and subcontractors may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

c. Any costs associated with a self-insured program, deductibles, or premium rating programs that determine premium based on loss experience shall be for the account of Developer, Developer's contractor and subcontractors, and the District shall not be required to participate in any such loss. If any such programs exist, Developer, Developer's contractor and subcontractors, agree to protect and defend the District in the same manner as if such cost provisions were not applicable.

d. Developer shall ensure that its contractor and all subcontractors shall have presented at the time of execution of the Agreement, the original policies of insurance and a certificate of insurance naming the District as the certificate holder and that such coverage is in force and complies with the terms and conditions outlined herein.

e. If an insurance policy contains a general policy aggregate of less than the minimum limits specified, then the policy coverage shall be written with limits applicable solely to this Agreement, as specified, and shall not be reduced by or impaired by any other claims arising against Developer. These policy limits shall be set forth by separate endorsement to the policy.

4.4. Each such policy of General Liability Insurance and Automotive/Vehicle Liability Insurance shall contain endorsements providing the following:

a. The District, their board members, officers, agents, employees, consultants, and engineers, are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of the Developer at or upon any of the premises of the District in connection with the Agreement with the District, or acts or omissions of the additional insureds in connection with, but limited to its general supervision or inspection of said operations and save for any claims arising from the sole negligence or sole willful misconduct the District.

b. No policy shall be canceled, limited, materially altered, or non-renewed by the insurer until thirty (30) days after receipt by the District of a written notice of such cancellation or reduction in coverage.

c. This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon to cover a loss under this policy.

5. BONDING REQUIREMENTS

5.1. Developer shall generate an engineer's cost estimate based on the water system plans provided to the District. The estimated costs, attached herein as Exhibit "C", will be submitted to the District for review and approval, and shall be used as the basis for bonding requirements for the water system described in the plans provided to the District by the Developer and approved for construction by the District. The sole intent and purpose of the engineer's estimate is to establish a cost valuation for bonding purposes only.

5.2. Performance Bond: Developer engineer's estimate for the water system improvements for **El Rivino Industrial I, LLC – Phase I**, is **FIVE HUNDRED FORTY-ONE THOUSAND ONE HUNDRED AND 0/100 DOLLARS (\$541,100)**. Developer shall and by this Agreement does guarantee the Developer's faithful performance of this Agreement and all of its terms and conditions by providing the following: Developer shall provide the District with either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a performance bond, from a surety institution licensed by the State of California and authorized to do and doing business in said State, valid and renewable until such improvements are accepted by the District. The irrevocable letter of credit or performance bond shall be in the amount **FIVE HUNDRED FORTY-ONE THOUSAND ONE HUNDRED AND 0/100 DOLLARS (\$541,100)** equal to 100 percent of the approved Developer's estimate.

5.3. Warranty Bond: Developer shall, in addition, and by this Agreement does guarantee to the District that, for two years after the District's acceptance of Developer-installed and completed water facilities and appurtenances, such facilities and appurtenances shall be free from any and all liens and encumbrances and free from any and all defects in the materials or construction thereof. The two-year guarantee shall be either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a warranty bond in the amount of **FIVE HUNDRED FORTY-ONE THOUSAND ONE HUNDRED AND 0/100 DOLLARS (\$541,100)** equal to 100 percent of the Developer's estimate beginning at the date of the acceptance of the water facilities by the District.

6. MATERIALS

6.1. The water system facilities to be installed pursuant to this Agreement shall become an extension of the distribution system of the District. All materials used must conform to District specifications for such materials pursuant to all applicable Legal Requirements.

7. NOTICES

7.1. All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

- 7.2. Notices required shall be given to the **District** addressed as follows:
WEST VALLEY WATER DISTRICT
 Attn: General Manager
 Post Office Box 920
 Rialto, CA 92377
RE: Water Improvement Plans for El Rivino Industrial I, LLC – Phase I
- 7.3. Notices required shall be given to **Developer** addressed as follows:
Oakmont El Rivino, LLC
 Attn: Kristin Paul, Vice President
 20411 SW Birch Street, Suite 200
 Newport Beach, CA 92660
RE: Water Improvement Plans for El Rivino Industrial I, LLC – Phase I
- 7.4. Notices required shall be given to **Surety** addressed as follows:
 SURETY NAME:
 ATTN TO:
 ADDRESS
RE: Water Improvement Plans for El Rivino Industrial I, LLC – Phase I

7.5. Provided that any party or Surety may change such address by notice in writing to the other party, and thereafter, notices shall be addressed and transmitted to the new address.

7.6. The Developer or its contractor shall provide the District forty-eight (48) hours advance notice of request for inspection or testing.

7.7. The District is closed on the holidays listed in Exhibit "D".

8. NOTICE TO PROCEED TO CONSTRUCT WATER SYSTEM FACILITIES

8.1. Upon acceptance of the insurance and aforementioned bonds and/or irrevocable letters of credit in the amounts provided herein and approval by the District and upon payment of all applicable charges, the Agreement shall be signed by Developer and the District. The District shall return an original copy of the signed Agreement with a letter to Developer giving notice to proceed to construct the water system facilities using the form contained in Exhibit "E".

9. INSPECTION

9.1. It is understood that the sole purpose and intent of the District's inspection and testing is to validate that the materials, workmanship, and construction of the water facilities are in compliance with the District-approved final plans, the District's Rules and Regulations, the Standards for Domestic Water Facilities, the Standard Drawings, and all other applicable District requirements. Developer acknowledges and represents that it assumes full and sole responsibility for the safety and management of the project.

9.2. Developer shall at all times maintain proper facilities and provide safe access for inspection by the District to all parts of the work and to the shops wherein the work is in

preparation. Additionally, in connection with the performance of this Agreement, the District shall have the authority to enter the work site at any time for the purpose of identifying the existence of conditions, either actual or threatened, that may present a danger of hazard to any and all employees. Developer agrees that the District, in its sole authority and discretion, may order the immediate abatement of any and all conditions that may present an actual or threatened danger or hazard to any and all employees at the work site. Furthermore, Developer acknowledges the provisions of California *Labor Code* Section 6400 et seq., which requires that employers shall furnish employment and a place of employment that is safe and healthful for all employees working therein. In the event the District identifies the existence of any condition that presents an actual or threatened danger or hazard to any or all employees at the work site, the District is hereby authorized to order an immediate abatement of that condition.

9.3. All work and materials shall be subject to inspection, testing, and acceptance by the District at Developer's expense. In the event Developer arranges to have materials fabricated for the project, Developer may be required to arrange for the District to inspect that material during fabrication at Developer's expense.

9.4. All material fabrications shall be preapproved by the District and must conform to District standards and specifications.

9.5. The District's inspectors shall have full, unlimited access to perform continuous inspection and have the authority to stop work at any time, by written notice, without any liability whatsoever to the District, if, in the inspectors' judgment, the work called for by this Agreement, or the District approved plans, or the specifications is not being installed or performed in a satisfactory and workmanlike manner according to District's standards and specifications and/or in the event the materials do not comply with the District's standards and specifications.

9.6. Final acceptance of all material to be purchased or fabricated by Developer under this Agreement shall be made only with the prior approval of the District. Approval by the District, however, shall not operate to relieve the material supplier or Developer of any guarantees, warranties, or the duty of compliance with any of the requirements of the approved plans and specifications or of this Agreement. All construction pursuant to this Agreement shall be inspected pursuant for conformity with District requirements. Developer shall pay actual costs for inspections.

10. TESTING AND DISINFECTION

10.1. All water system facilities and components constructed pursuant to this Agreement shall adhere to all requirements for testing, disinfection, and flushing pursuant to District standards and Legal Requirements.

11. RELOCATIONS, RECONSTRUCTIONS, AND DAMAGES

11.1. Developer accepts the responsibility for and the costs occasioned by any reconstruction, relocation, damages to, or changes of water services or facilities caused or contributed to directly or indirectly by any subsequent changes in the location of any of said facilities or water meters or water services.

12. AS-CONSTRUCTED DOCUMENTATION

12.1. In order for the District to accept the facilities, Developer shall provide all required documentation as specified in the Standards for Domestic Water Facilities, including As-Built drawings.

13. INDEMNIFICATION

13.1. Developer hereby agrees to and shall protect, defend, indemnify and hold the District and its board members, officers, agents, employees, and engineers free and harmless from any and all liability losses, damages, claims, liens, demands and cause of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interests, court costs, attorney's/legal fees, and all other expenses incurred by the District arising in favor of any party, including claims, liens, debts, demands for lost wages or compensation, personal injuries, including employees or the District, death or damages to property (including property of the District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Developer save and except claims or litigation arising through the sole negligence or sole willful misconduct of the District or the District's agents and employees. Developer shall investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at the sole expense of Developer even if the claim or claims alleged are groundless, false or fraudulent. Developer agrees to, and shall defend the District and its members, directors, officers, agents, employees, and engineers from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations, provided as follows:

a. That the District does not and shall not waive any rights against Developer which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by the District, or the deposit with District by Developer, or any of the insurance policies described in this Agreement.

b. That the aforesaid hold harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any or the aforesaid operations referred to in this subsection, regardless of whether or not District has prepared, supplied water system installation, or regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

This provision is not intended to create any cause of action in favor of any third party against Developer or the District or to enlarge in any way Developer's liability but is intended solely to provide for indemnification of the District from liability for damage or injuries to third persons or property arising from Developer's performance hereunder.

13.2. Neither Developer nor any of Developer's agents, contractors or subcontractors are, or shall be, considered to be agents of the District in connection with the performance of Developer's obligations under this Agreement.

14. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

14.1. If, within a period of two years after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developer shall, without delay and without any cost to District, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work structure. Should Developer fail to act promptly or in accordance with this requirement, or should the exigencies of the situation as determined by the District in the exercise of its sole discretion require repair, replacement or reconstruction before Developer can be notified, District may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to the District the actual cost of such repairs.

15. COSTS AND FEES

15.1. Developer shall pay actual costs for inspection and plan check. All costs and fees required, as outlined in the cost letter, shall be paid in full prior to the execution of this Agreement.

15.2. Any additional costs and fees shall be paid in full prior to conveyance and acceptance of the water system.

16. CONVEYANCE AND ACCEPTANCE OF WATER SYSTEM

16.1. Upon completion of the water system in accordance with the approved water plans and submission of the required documentation, the Developer shall convey the water system to the District.

16.2. The Developer shall furnish an irrevocable letter of credit to the District or a warranty bond (One Hundred (100%) of Developer's estimate) for a period of two years as stated in Sections 5.3 of this Agreement, as-built drawings with contractor redlines and AutoCAD files, materials list with quantities, labor, equipment, and materials, water system cost breakouts, compaction test report signed and sealed by a California Registered Engineer, notice of completion filed with San Bernardino County Recorder, fire flow tests of all hydrants, all required easements for water facilities and unconditional financial release from subcontractors and material providers. Upon compliance with all the terms and conditions of this Agreement, the District shall prepare the conveyance agreement accepting the water facilities and forward same to the address provided herein. Title to the ownership of said facilities and appurtenances shall thereby be conveyed to the District. The District shall thereafter operate and maintain said facilities so as to furnish water service to the development (Exhibit "A") in accordance with the District's ordinances, policies and Rules and Regulations.

17. PERMANENT WATER SERVICE

17.1. In no event shall permanent water services be provided to Developer's installed system until all applicable charges and fees have been paid by Developer and all facilities have been conveyed, free of all encumbrances, to the District, including any easements which may be

required. Such conveyance shall occur in a timely manner in accordance with the terms of this Agreement.

18. BREACH OR DEFAULT OF AGREEMENT

18.1. If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extension thereof, or fails to obtain completion of said work within such time, or if Developer should be adjudged as bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer, or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this Agreement, the District's General Manager or the General Manager's designee may serve written notice upon Developer and Developer's surety of breach of this Agreement, or of any portion therefore, and default of Developer.

18.2. In the event of any such notice, Developer's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety, within five (5) days after the serving upon of such notice of breach, does not give the District written notice of its intention to take over the performance of the contract, and does not commence performance thereof within five (5) days after notice to the District of such election, District may take over the work and prosecute the same to completion, by contract or by any other method District may deem advisable, for the account and at the expense of Developer, and Developer's surety shall be liable to the District for any excess cost or damages occasioned District thereby; and, in such event, District, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developer as may be on the site of the work and necessary therefore.

19. SUCCESSORS BOUND

19.1. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective legal representatives, successors, heirs, and assigns.

[CONTINUED ON NEXT PAGE]

20. ENFORCEMENT OF PROVISIONS

20.1. The District's failure to enforce any provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall nevertheless be and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this Agreement.

WEST VALLEY WATER DISTRICT

By: _____
Clarence C. Mansell, Jr., Interim General Manager

Date: _____

DEVELOPER:

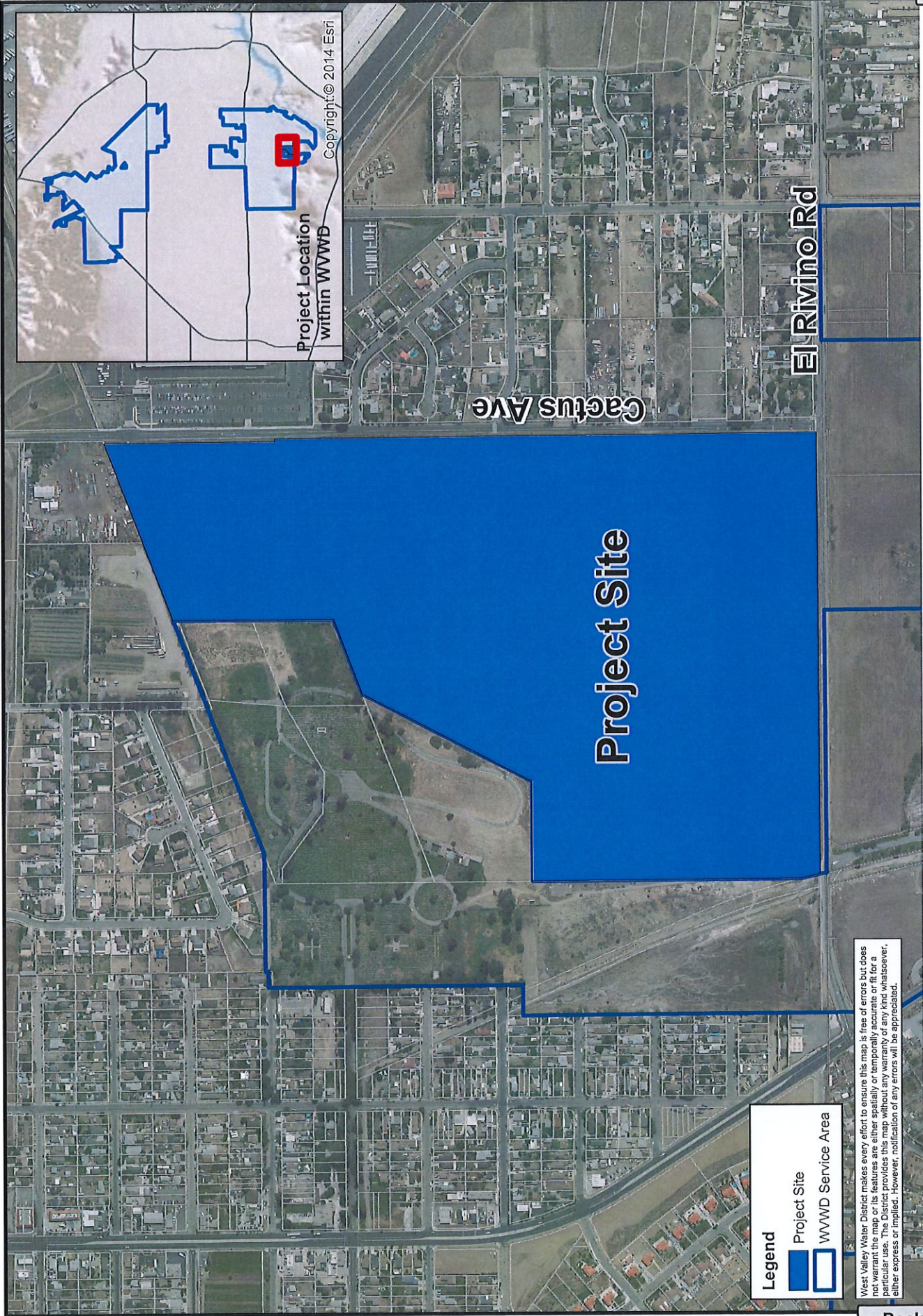
Oakmont El Rivino, LLC
a Delaware limited liability company

By: **Oakmont El Rivino, LLC**
a Delaware limited liability company

By: _____
Kristin Paul, Vice President
Authorized Agent

Date: _____

Exhibit A



Legend

- Project Site
- WVWD Service Area

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the accuracy, either spatially or temporally, of the information shown on this map. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.



Exhibit A
El Rivino and Cactus Ave

Date: 8/20/2018



Exhibit B

Exhibit C

CITY OF RIALTO - PUBLIC WORKS / ENGINEERING

COST ESTIMATE
WATER IMPROVEMENTS (Off Site)
REVISED: January 15, 2014

Developer: Panattoni
 Engineer: Haidook Aghaian-THIENES ENGINEERING
 Phone No.: 714 521-4811
 Drawing No.: 2873d

Planning Case #: PPD 2017-0082
 TM No./PM No.: _____
 Date: 7/31/2018

ITEM	QUANTITY	UNIT	UNIT COST (\$)	AMOUNT
12" Ductile Iron Pipe	3150	LF	\$ 103.00	\$ 324,450.00
Hot Tap 20" Line with 12" Line	1	EA	\$ 7,500.00	\$ 7,500.00
FDC	1	EA	\$ 1,500.00	\$ 1,500.00
12" Fire Service	2	EA	\$ 18,000.00	\$ 36,000.00
Fire Hydrant	8	EA	\$ 5,000.00	\$ 40,000.00
6"x12"x12" Tee	8	EA	\$ 1,000.00	\$ 8,000.00
4" Water Service with 2" Meter(IRRI)	2	EA	\$ 4,500.00	\$ 9,000.00
4" Water Service with 2" Meter(DOM)	3	EA	\$ 4,500.00	\$ 13,500.00
2" Water Service with 2" Meter	4	EA	\$ 2,000.00	\$ 8,000.00
12" Butterfly Valve	8	EA	\$ 1,800.00	\$ 14,400.00
12" Blind Flange	3	EA	\$ 750.00	\$ 2,250.00
2" Backflow/Pressure Reducer	3	EA	\$ 2,000.00	\$ 6,000.00
12"x12"x12" Tee	1	EA	\$ 1,500.00	\$ 1,500.00
Abandon existing FH	3	EA	\$ 1,500.00	\$ 4,500.00
Install two combo air valve	2	EA	\$ 1,500.00	\$ 3,000.00
install 12" W/L over chembers/detail 108	500	LF	\$ 120.00	\$ 60,000.00
12" 45 degree Bend	2	EA	\$ 750.00	\$ 1,500.00
Water Improvement (Off Site) Subtotal				\$ 541,100.00

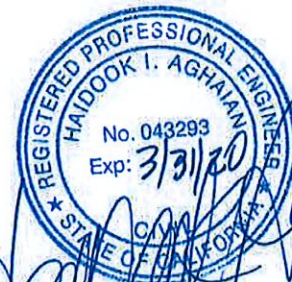


Exhibit D

BOARD OF DIRECTORS

Dr. Clifford O. Young, Sr.
President, Board of Directors
 Gregory Young
Vice President, Board of Directors
 Dr. Michael Taylor
Director
 Kyle Crowther
Director
 Donald Olinger
Director



ESTABLISHED AS A PUBLIC AGENCY IN 1952
 WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
 SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
 AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
 WATER-USE EFFICIENCY AND CONSERVATION.

Robert Christman
Interim General Manager
 Greg Gage
Assistant General Manager
 Deborah L. Martinez
*Interim Human Resources
 and Risk Manager*
 Crystal L. Escalera
Interim Board Secretary
 Patricia Romero
Assistant Board Secretary

2018 HOLIDAY LIST

MONDAY, JANUARY 1	NEW YEAR'S DAY
TUESDAY, JANUARY 2	NEW YEAR'S EVE (OBSERVED)
MONDAY, JANUARY 15	MARTIN LUTHER KING, JR.
MONDAY, FEBRUARY 19	PRESIDENT'S DAY
MONDAY, MAY 28	MEMORIAL DAY
WEDNESDAY, JULY 4	INDEPENDENCE DAY
MONDAY, SEPTEMBER 3	LABOR DAY
MONDAY, NOVEMBER 12	VETERANS DAY (OBSERVED)
THURSDAY, NOVEMBER 22	THANKSGIVING DAY
FRIDAY, NOVEMBER 23	DAY AFTER TAHNKSGIVING
MONDAY, DECEMBER 24	CHRISTMAS EVE
TUESDAY, DECEMBER 25	CHRISTMAS DAY
MONDAY, DECEMBER 31	NEW YEAR'S EVE

2019 HOLIDAY LIST

TUESDAY, JANUARY 1	NEW YEAR'S DAY
--------------------	----------------

Exhibit E

WEST VALLEY WATER DISTRICT

PROCEDURAL DOCUMENTS

NOTICE TO PROCEED

TO: Oakmont El Rivino, LLC
20411 SW Birch Street, Suite 200
Newport Beach, CA 92660

Project Description: El Rivino Industrial I, LLC - Phase I

You are hereby notified to commence work in accordance with the Agreement dated _____, 2018, on or before _____, 20 18, and you are to complete the Work within one year from the estimated construction start date.

You are required to return an acknowledged copy of this Notice to Proceed to the Owner.

Dated this ___ day of _____, 2018.

WEST VALLEY WATER DISTRICT

By _____
Clarence C. Mansell, Jr.

Title Interim General Manager

ACCEPTANCE OF NOTICE

Receipt of the above Notice to Proceed is hereby acknowledged by _____
_____.

THIS THE ___ DAY OF _____, 2018.

Oakmont El Rivino, LLC

By _____

Title _____

EXHIBIT C

WATER SYSTEM INFRASTRUCTURE INSTALLATION AND CONVEYANCE AGREEMENT

This water system infrastructure installation and conveyance agreement (“Agreement”) is entered into and effective as of _____ by and between **EL RIVINO INDUSTRIAL I, LLC** (“Developer”), and **WEST VALLEY WATER DISTRICT** (“District”) who agree as follows:

The Developer is the owner of certain land described as **El Rivino Industrial I, LLC – Phase I** and as more fully (or further) shown on Exhibit "A". In developing this land, the Developer is desirous of obtaining a public water supply adequate for domestic uses and public fire protection purposes and is desirous of integrating that water system into the District’s public water system.

In order to provide facilities for a water supply to said land, it is the intention of the parties to this Agreement that the Developer shall furnish and install those water mains, fire hydrants, service laterals, water meters and valves, valve boxes, and all other appurtenant fittings and facilities required for a complete water system to serve the land shown on Exhibit "A".

In order to implement the foregoing and in consideration of the terms and conditions herein contained, the parties further agree as follows:

1. DESIGN

1.1. Developer shall design and construct, at the Developer's own expense, the water facilities and appurtenances required to serve the development in accordance with final District-approved plans known as **Water Improvement Plans for El Rivino Industrial I, LLC – Phase I**, as approved and attached herein as Exhibit "B" and in accordance with District-approved design standards and specifications, and the terms and conditions of this Agreement.

1.2. The water system design shall be by a Professional Engineer registered in the State of California, and in accordance with the District's most recent Rules and Regulations (the “Rules and Regulations”), the District's Standards for Domestic Water Facilities and Standard Drawings herein included by reference, all applicable District ordinances and policies and all City, County of San Bernardino, State of California, and Federal laws, ordinances, rules, regulations, codes and other legal requirements of all government bodies having jurisdiction over said construction and property (all of the foregoing requirements in this paragraph being collectively referred to herein at times as “Legal Requirements”).

1.3. The District, at Developer's expense, shall review Developer's plans for the purpose of ensuring the adequacy of the design and conformance with the District's standards and specifications. The District reserves the right to add, delete, modify, change or amend any or all the plans and specifications.

1.4. In the event that the property to be developed includes multiple residential, condominiums, commercial or industrial uses, all site plans, grading plans, and any available plumbing plot plans shall be furnished to the District by Developer.

1.5. The District makes no warranties as to the correctness, accuracy or completeness of the plans and specifications. The accuracy, adequacy, suitability, and correctness of the water system design shall be the sole responsibility of the Developer.

2. CONSTRUCTION

2.1. Developer shall perform, or caused to be performed, all construction of the water system infrastructure installation pursuant to the approved water system plans, and all Legal Requirements.

2.2 The performance of this Agreement shall commence within ninety (90) calendar days from the date of this Agreement and shall be completed within one (1) year from the estimated construction start date.

2.3. Time is of the essence in this Agreement; provided that, in the event good cause is shown therefore, the general manager of the District ("General Manager") may extend the time for completion of the water system installation. Any such extension may be granted without the notice to Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure faithful performance of this Agreement. The General Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

2.4. The Developer and its contractor and subcontractors shall attend a preconstruction meeting with the District at the District's headquarters no less than five (5) working days prior to commencement of construction.

2.5. No work on water facilities shall commence prior to the completion of all required curbs and gutters.

3. LICENSES AND PERMITS

3.1. Developer, and all of Developer's contractors and subcontractors warrants it possesses, or shall obtain, and maintain during the term of this Agreement any and all licenses, permits, qualifications, insurance and approval of whatever nature that are legally required of Developer, its contractors, and all subcontractors to practice its profession, skill or business.

3.2. The work to be performed under this Agreement, except meter installations, shall be performed by Developer, or a contractor or subcontractor who is pre-approved by the District and is licensed under the laws of the State of California in the specialty Class of "C-34" Pipeline or Class "A" General Engineering. A copy of the contract between Developer and the selected pre-approved contractor and all subcontractors shall be submitted to the District for review and approval.

3.3. Excavation/resurfacing permits shall be secured by Developer at Developer's expense. Permits/easements to install, maintain and operate water system facilities in private property shall be secured by Developer at Developer's own expense prior to construction.

3.4. Developer shall, at Developer's own expense, be responsible for obtaining and adhering to a National Pollution Discharge Elimination System (NPDES) permit from the Regional Water Quality Board as required for construction or pipeline flushing and disinfection.

4. INSURANCE REQUIREMENTS

4.1. The following insurance requirements have been adopted by the District and shall be applicable to this Agreement. These requirements supersede the insurance requirements set forth in any other reference of the District, and to the extent of any conflict, the specified requirements herein shall prevail.

4.2. Developer shall ensure that Developer's contractors conform to the following insurance requirements and that all required documents are submitted to the District at the time of Agreement submittal: Developer shall ensure that its contractors and all subcontractors shall purchase and maintain insurance in amounts equal to the requirements set forth in (a) through (d) below, and shall not commence work under this Agreement until all insurance required under this heading is obtained in a form acceptable to the District, nor shall Developer allow any contractor or subcontractor to commence construction pursuant to a contract or subcontract until all insurance required of the contractor and any subcontractors has been obtained.

a. General Liability: Developer shall ensure that its contractor and all subcontractors shall maintain during the life of this Agreement, a standard form of either Comprehensive General Liability insurance or Commercial General Liability insurance ("General Liability Insurance") providing the following minimum limits of liability: Combined single limit of \$1.0 million per occurrence for bodily injury, including death, personal injury, and property damage with \$2.0 million minimum aggregate, separate for this project as evidenced by endorsement. The insurance shall include coverage for each of the following hazards: Premises-Operations; Owners and Contractors Protective; Broad Form Property Damage contractual for Specific Contract; Severability of Interest or Cross-Liability; XCU Hazards; and Personal Injury – With the "Employee" Exclusive Deleted.

b. Automotive/Vehicle Liability Insurance: Developer shall ensure that its contractor and all subcontractors shall maintain a policy of automotive/vehicle liability insurance on a commercial auto liability form covering owned, non-owned and hired automobiles providing the following minimum limits of liability: Combined single limit of liability of \$1.0 million per accident for Bodily Injury, Death and Property Damage ("Automotive/Vehicle Liability Insurance").

c. Workers' Compensation Insurance: Developer shall ensure that its contractor and all subcontractors shall provide such workers' compensation insurance with statutory minimum amounts of coverage, as required by the California *Labor Code* and other applicable law, and including employer's liability insurance with a minimum limit of \$1,000,000.00 ("Workers' Compensation Insurance"). Such Workers' Compensation Insurance shall be endorsed to provide for a waiver of subrogation against the District.

d. Excess Liability: Developer shall ensure that its contractor and all subcontractors shall provide a policy providing excess coverage in a face amount necessary when

combined with the primary insurance, to equal the minimum requirements for General Liability Insurance and Automotive/Vehicle Liability Insurance.

4.3. The insurances provided for in Section 4.2 and its subsections above are subject to all of the following conditions:

a. The insurance shall be issued and underwritten by insurance companies acceptable to the District, and shall be licensed by the State of California to do business on the lines of insurance specified. The insurers must also have an "A-" Policyholder's rating" and a "financial rating" of at least Class VII in accordance with the most current A.M. Best's Rating Guide.

b. Developer's contractor and subcontractors may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

c. Any costs associated with a self-insured program, deductibles, or premium rating programs that determine premium based on loss experience shall be for the account of Developer, Developer's contractor and subcontractors, and the District shall not be required to participate in any such loss. If any such programs exist, Developer, Developer's contractor and subcontractors, agree to protect and defend the District in the same manner as if such cost provisions were not applicable.

d. Developer shall ensure that its contractor and all subcontractors shall have presented at the time of execution of the Agreement, the original policies of insurance and a certificate of insurance naming the District as the certificate holder and that such coverage is in force and complies with the terms and conditions outlined herein.

e. If an insurance policy contains a general policy aggregate of less than the minimum limits specified, then the policy coverage shall be written with limits applicable solely to this Agreement, as specified, and shall not be reduced by or impaired by any other claims arising against Developer. These policy limits shall be set forth by separate endorsement to the policy.

4.4. Each such policy of General Liability Insurance and Automotive/Vehicle Liability Insurance shall contain endorsements providing the following:

a. The District, their board members, officers, agents, employees, consultants, and engineers, are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of the Developer at or upon any of the premises of the District in connection with the Agreement with the District, or acts or omissions of the additional insureds in connection with, but limited to its general supervision or inspection of said operations and save for any claims arising from the sole negligence or sole willful misconduct the District.

b. No policy shall be canceled, limited, materially altered, or non-renewed by the insurer until thirty (30) days after receipt by the District of a written notice of such cancellation or reduction in coverage.

c. This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon to cover a loss under this policy.

5. BONDING REQUIREMENTS

5.1. Developer shall generate an engineer's cost estimate based on the water system plans provided to the District. The estimated costs, attached herein as Exhibit "C", will be submitted to the District for review and approval, and shall be used as the basis for bonding requirements for the water system described in the plans provided to the District by the Developer and approved for construction by the District. The sole intent and purpose of the engineer's estimate is to establish a cost valuation for bonding purposes only.

5.2. Performance Bond: The Developer's engineers estimate for the water system improvements for **El Rivino Industrial I, LLC – Phase I**, is **FIVE HUNDRED FIFTY THREE THOUSAND FOUR HUNDRED AND no/100 DOLLARS (\$553,400)**. Developer shall and by this Agreement does guarantee the Developer's faithful performance of this Agreement and all of its terms and conditions by providing the following: Developer shall provide the District with either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a performance bond, from a surety institution licensed by the State of California and authorized to do and doing business in said State, valid and renewable until such improvements are accepted by the District. The irrevocable letter of credit or performance bond shall be in the amount **FIVE HUNDRED FIFTY THREE THOUSAND FOUR HUNDRED AND no/100 DOLLARS (\$553,400)** equal to 100 percent of the approved Developer's estimate.

5.3. Warranty Bond: The Developer's pre-approved contractor shall furnish a two-year warranty bond for all work completed in accordance with the approved plans (Exhibit "B"). Before District's acceptance of the completed water facilities and appurtenances, such facilities and appurtenances shall be free from any and all liens and encumbrances and free from any and all defects in the materials or construction thereof. The two-year warranty shall be either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a warranty bond beginning on the date of acceptance of the water facilities by the District.

6. MATERIALS

6.1. The water system facilities to be installed pursuant to this Agreement shall become an extension of the distribution system of the District. All materials used must conform to District specifications for such materials pursuant to all applicable Legal Requirements.

7. NOTICES

7.1. All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

- 7.2. Notices required shall be given to the **District** addressed as follows:

WEST VALLEY WATER DISTRICT

Attn: General Manager

Post Office Box 920

Rialto, CA 92377

RE: Water Improvement Plans for El Rivino Industrial I, LLC – Phase I

- 7.3. Notices required shall be given to **Developer** addressed as follows:

El Rivino Industrial I, LLC

ATTN TO: Kristin Paul, Vice President

20411 SW Birch Street, Suite 200

Newport Beach, CA 92660

RE: Water Improvement Plans for El Rivino Industrial I, LLC – Phase I

- 7.4. Notices required shall be given to **Surety** addressed as follows:

SURETY NAME:

ATTN TO:

ADDRESS

RE: Water Improvement Plans for El Rivino Industrial I, LLC – Phase I

7.5. Provided that any party or Surety may change such address by notice in writing to the other party, and thereafter, notices shall be addressed and transmitted to the new address.

7.6. The Developer or its contractor shall provide the District forty-eight (48) hours advance notice of request for inspection or testing.

- 7.7. The District is closed on the holidays listed in Exhibit “D”.

8. NOTICE TO PROCEED TO CONSTRUCT WATER SYSTEM FACILITIES

8.1. Upon acceptance of the insurance and aforementioned bonds and/or irrevocable letters of credit in the amounts provided herein and approval by the District and upon payment of all applicable charges, the Agreement shall be signed by Developer and the District. The District shall return an original copy of the signed Agreement with a letter to Developer giving notice to proceed to construct the water system facilities.

9. INSPECTION

9.1. It is understood that the sole purpose and intent of the District's inspection and testing is to validate that the materials, workmanship, and construction of the water facilities are in compliance with the District-approved final plans, the District's Rules and Regulations, the Standards for Domestic Water Facilities, the Standard Drawings, and all other applicable District requirements. Developer acknowledges and represents that it assumes full and sole responsibility for the safety and management of the project.

9.2. Developer shall at all times maintain proper facilities and provide safe access for inspection by the District to all parts of the work and to the shops wherein the work is in preparation. Additionally, in connection with the performance of this Agreement, the District shall have the authority to enter the work site at any time for the purpose of identifying the existence of conditions, either actual or threatened, that may present a danger of hazard to any and all employees. Developer agrees that the District, in its sole authority and discretion, may order the immediate abatement of any and all conditions that may present an actual or threatened danger or hazard to any and all employees at the work site. Furthermore, Developer acknowledges the provisions of California *Labor Code* Section 6400 et seq., which requires that employers shall furnish employment and a place of employment that is safe and healthful for all employees working therein. In the event the District identifies the existence of any condition that presents an actual or threatened danger or hazard to any or all employees at the work site, the District is hereby authorized to order an immediate abatement of that condition.

9.3. All work and materials shall be subject to inspection, testing, and acceptance by the District at Developer's expense. In the event Developer arranges to have materials fabricated for the project, Developer may be required to arrange for the District to inspect that material during fabrication at Developer's expense.

9.4. All material fabrications shall be preapproved by the District and must conform to District standards and specifications.

9.5. The District's inspectors shall have full, unlimited access to perform continuous inspection and have the authority to stop work at any time, by written notice, without any liability whatsoever to the District, if, in the inspectors' judgment, the work called for by this Agreement, or the District approved plans, or the specifications is not being installed or performed in a satisfactory and workmanlike manner according to District's standards and specifications and/or in the event the materials do not comply with the District's standards and specifications.

9.6. Final acceptance of all material to be purchased or fabricated by Developer under this Agreement shall be made only with the prior approval of the District. Approval by the District, however, shall not operate to relieve the material supplier or Developer of any guarantees, warranties, or the duty of compliance with any of the requirements of the approved plans and specifications or of this Agreement. All construction pursuant to this Agreement shall be inspected pursuant for conformity with District requirements. Developer shall pay actual costs for inspections.

10. TESTING AND DISINFECTION

10.1. All water system facilities and components constructed pursuant to this Agreement shall adhere to all requirements for testing, disinfection, and flushing pursuant to District standards and Legal Requirements.

11. RELOCATIONS, RECONSTRUCTIONS, AND DAMAGES

11.1. Developer accepts the responsibility for and the costs occasioned by any reconstruction, relocation, damages to, or changes of water services or facilities caused or contributed to directly or indirectly by any subsequent changes in the location of any of said facilities or water meters or water services.

12. AS-CONSTRUCTED DOCUMENTATION

12.1. In order for the District to accept the facilities, Developer shall provide all required documentation as specified in the Standards for Domestic Water Facilities, including As-Built drawings.

13. INDEMNIFICATION

13.1. Developer hereby agrees to and shall protect, defend, indemnify and hold the District and its board members, officers, agents, employees, and engineers free and harmless from any and all liability losses, damages, claims, liens, demands and cause of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interests, court costs, attorney's/legal fees, and all other expenses incurred by the District arising in favor of any party, including claims, liens, debts, demands for lost wages or compensation, personal injuries, including employees or the District, death or damages to property (including property of the District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Developer save and except claims or litigation arising through the sole negligence or sole willful misconduct of the District or the District's agents and employees. Developer shall investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at the sole expense of Developer even if the claim or claims alleged are groundless, false or fraudulent. Developer agrees to, and shall defend the District and its members, directors, officers, agents, employees, and engineers from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations, provided as follows:

a. That the District does not and shall not waive any rights against Developer which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by the District, or the deposit with District by Developer, or any of the insurance policies described in this Agreement.

b. That the aforesaid hold harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any or the aforesaid operations referred to in this subsection, regardless of whether or not District has prepared, supplied water system installation, or regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

This provision is not intended to create any cause of action in favor of any third party against Developer or the District or to enlarge in any way Developer's liability but is intended

solely to provide for indemnification of the District from liability for damage or injuries to third persons or property arising from Developer's performance hereunder.

13.2. Neither Developer nor any of Developer's agents, contractors or subcontractors are, or shall be, considered to be agents of the District in connection with the performance of Developer's obligations under this Agreement.

14. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

14.1. If, within a period of two years after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developer shall, without delay and without any cost to District, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work structure. Should Developer fail to act promptly or in accordance with this requirement, or should the exigencies of the situation as determined by the District in the exercise of its sole discretion require repair, replacement or reconstruction before Developer can be notified, District may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to the District the actual cost of such repairs.

15. COSTS AND FEES

15.1. Developer shall be responsible for all fees and deposits as required by the District. All fees and deposits, shall be paid in full prior to the execution of this Agreement and before construction can take place.

15.2. Any additional costs and fees shall be paid in full prior to conveyance and acceptance of the water system.

16. CONVEYANCE AND ACCEPTANCE OF WATER SYSTEM

16.1. Upon completion of the water system in accordance with the approved water plans and submission of the required documentation, the Developer shall convey the water system to the District.

16.2. The Developer shall be responsible for insuring the pre-approved contractor furnish an irrevocable letter of credit to the District or a warranty bond (One Hundred (100%) of Developer's estimate) for a period of two years as stated in Sections 5.3 of this Agreement, as-built drawings with contractor redlines and AutoCAD files, materials list with quantities, labor, equipment, and materials, water system cost breakouts, compaction test report signed and sealed by a California Registered Engineer, notice of completion filed with San Bernardino County Recorder, fire flow tests of all hydrants, all required easements for water facilities and unconditional financial release from subcontractors and material providers, Upon compliance with all the terms and conditions of this Agreement, the District shall prepare the conveyance agreement accepting the water facilities and forward same to the address provided herein. Title to the ownership of said facilities and appurtenances shall thereby be conveyed to the District. The District shall thereafter operate and maintain said facilities so as to furnish water service to the

development (Exhibit "A") in accordance with the District's ordinances, policies and Rules and Regulations.

17. PERMANENT WATER SERVICE

17.1. In no event shall permanent water services be provided to Developer's installed system until all applicable charges and fees have been paid by Developer and all facilities have been conveyed, free of all encumbrances, to the District, including any easements which may be required. Such conveyance shall occur in a timely manner in accordance with the terms of this Agreement.

18. BREACH OR DEFAULT OF AGREEMENT

18.1. If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extension thereof, or fails to obtain completion of said work within such time, or if Developer should be adjudged as bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer, or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this Agreement, the District's General Manager or the General Manager's designee may serve written notice upon Developer and Developer's surety of breach of this Agreement, or of any portion thereof, and default of Developer.

18.2. In the event of any such notice, Developer's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety, within five (5) days after the serving upon of such notice of breach, does not give the District written notice of its intention to take over the performance of the contract, and does not commence performance thereof within five (5) days after notice to the District of such election, District may take over the work and prosecute the same to completion, by contract or by any other method District may deem advisable, for the account and at the expense of Developer, and Developer's surety shall be liable to the District for any excess cost or damages occasioned District thereby; and, in such event, District, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developer as may be on the site of the work and necessary therefore.

19. SUCCESSORS BOUND

19.1. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective legal representatives, successors, heirs, and assigns.

[CONTINUED ON NEXT PAGE]

20. ENFORCEMENT OF PROVISIONS

20.1. The District's failure to enforce any provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall nevertheless be and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this Agreement.

WEST VALLEY WATER DISTRICT

By: _____
Clarence C. Mansell, Jr., General Manager

Date: _____

DEVELOPER:

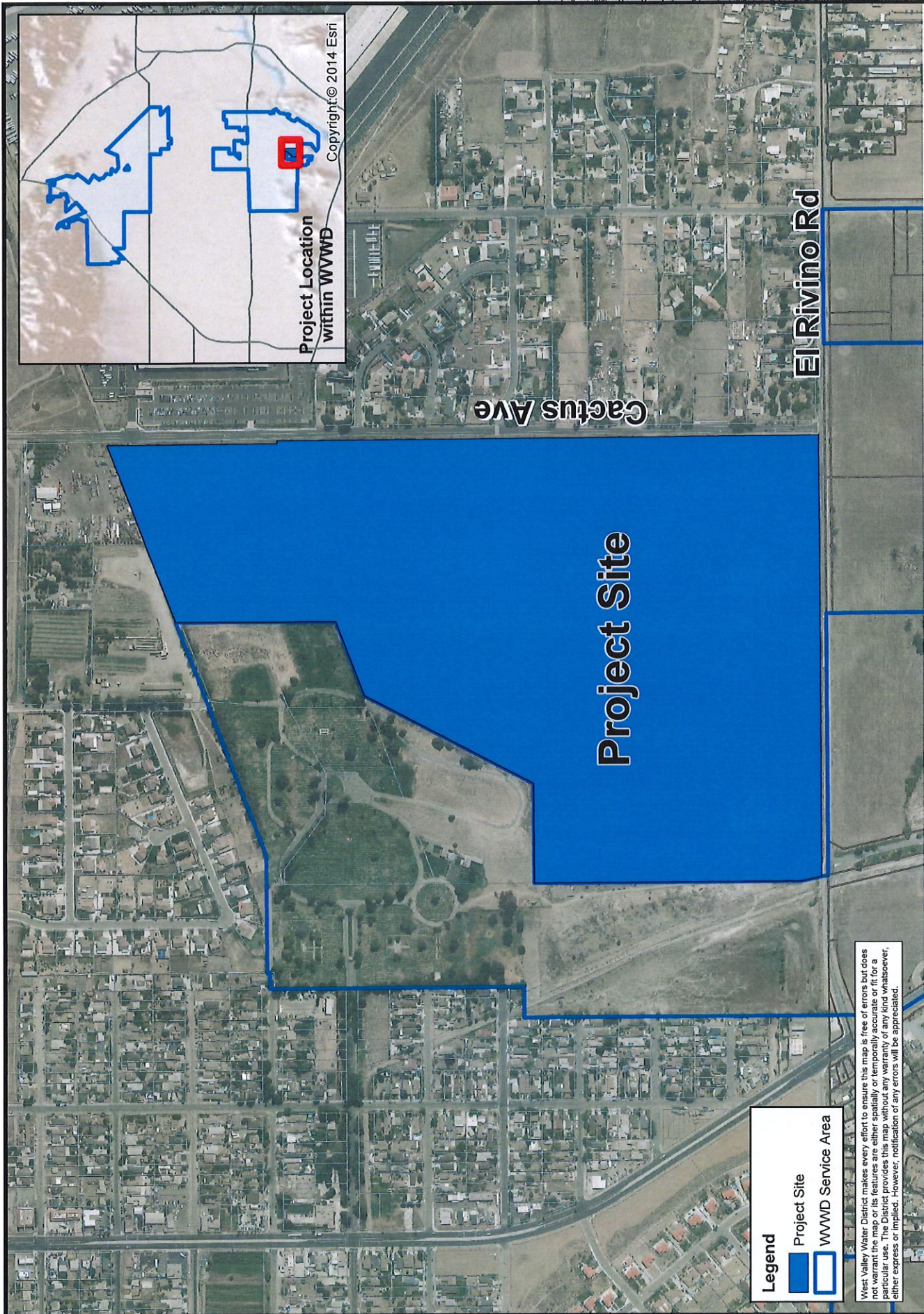
EL Rivino Industrial I, LLC
a Delaware limited liability company

By: **El Rivino Industrial I, LLC.,**
a Delaware limited liability company

By: _____
Kristin Paul, Vice President
Authorized Agent

Date: _____

Exhibit A



Project Location within WVWD
Copyright © 2014 Esri

Cactus Ave

El Rivino Rd

Project Site

Legend

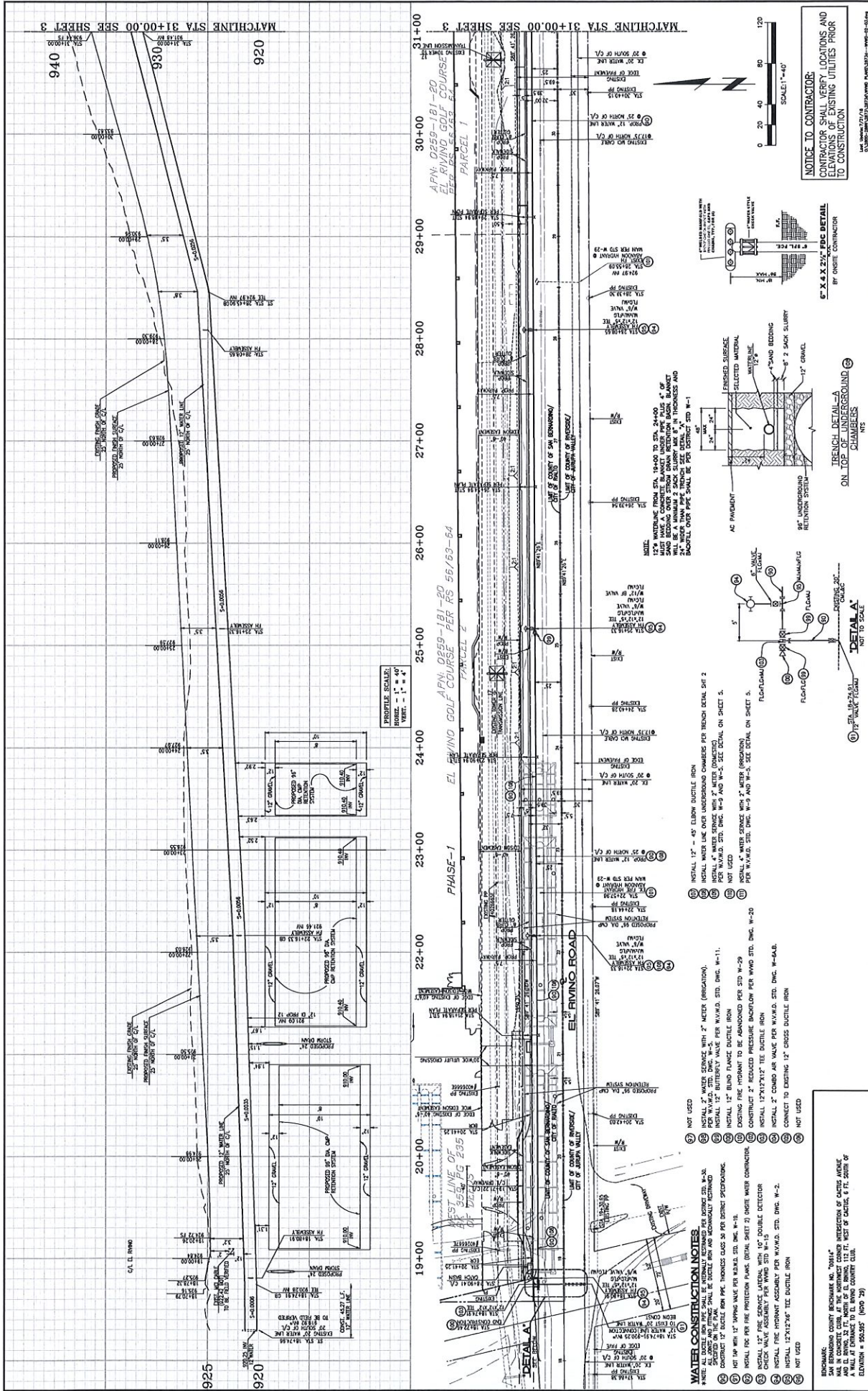
- Project Site
- WVWD Service Area

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.



Exhibit A
El Rivino and Cactus Ave

Exhibit B



WATER CONSTRUCTION NOTES

- NOT USED
- INSTALL 2" WATER SERVICE WITH 2" METER (REGULATED).
- INSTALL 12" BUTTERFLY VALVE PER W.A.W.D. STD. DWG. W-11.
- INSTALL 12" BLIND FLANGE DUCTILE IRON
- EXISTING FIRE HYDRANT TO BE ABANDONED PER STD W-29
- CONSTRUCT 2" REDUCED PRESSURE BACKFLOW PER W.A.W.D. STD. DWG. W-20
- INSTALL 12"x12"x12" TEE DUCTILE IRON
- INSTALL 2" COMP. AIR VALVE PER W.A.W.D. STD. DWG. W-8-B.
- CONNECT TO EXISTING 12" CROSS DUCTILE IRON
- NOT USED
- NOT USED
- INSTALL 12" - 45° ELBOW DUCTILE IRON
- INSTALL WATER LINE OVER UNDERGROUND CHAMBERS PER TRENCH DETAIL SHIT 2
- SEE W.A.W.D. STD. DWG. W-3 AND W-5. SEE DETAIL ON SHEET 5.
- NOT USED
- INSTALL 4" WATER SERVICE WITH 2" METER (REGULATED)
- FOR W.A.W.D. STD. DWG. W-3 AND W-5. SEE DETAIL ON SHEET 5.

WATER CONSTRUCTION NOTES

NOTE: ALL WATER PIPE SHALL BE INSTALLED ACCORDING TO THE SANITATION DISTRICT'S SPECIFICATIONS FOR WATER MAINS. ALL WATER MAINS SHALL BE INSTALLED AT A MINIMUM 18" DEPTH FROM THE FINISHED GRADE SURFACE UNLESS OTHERWISE NOTED.

FOR THE 12" APPROPRIATE PER W.A.W.D. STD. DWG. W-11.

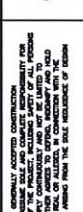
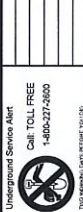
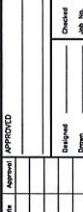
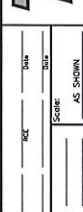
INSTALL THE FIRE HYDRANT PER W.A.W.D. STD. W-29

CHECK W.A.W.D. ASSEMBLY FOR W.A.W.D. STD. W-11 DOUBLE DETECTOR

INSTALL THE FIRE HYDRANT ASSEMBLY PER W.A.W.D. STD. DWG. W-2.

INSTALL 12"x12"x12" TEE DUCTILE IRON

NOT USED



NOTICE TO CONTRACTOR:
CONTRACTOR SHALL VERIFY LOCATIONS AND ELEVATIONS OF EXISTING UTILITIES PRIOR TO CONSTRUCTION

WEST VALLEY WATER DISTRICT
WATERLINE IMPROVEMENT PLANS FOR
NW CORNER OF CACTUS AVE. AND EL RIVINO RD
EL RIVINO INDUSTRIAL I, LLC - PHASE 1

Thienes Engineering, Inc.
CIVIL ENGINEERING • LAND SURVEYING
14349 PHOENIX BOULEVARD
PHOENIX, AZ 85044
PH: (480) 981-1171 FAX: (480) 981-1172

No.	By	Date	Approved

Underground Service Alert
CALL TOLL FREE
1-800-271-7600

San Bernardino County Benchmark No. 70147
SAN BERNARDINO COUNTY REGISTERED SURVEYOR
A WALL AT CORNER TO EL RIVINO CORNER CURB.
ELEVATION = 5052.85 (POB 2)

CONTRACTOR SHALL VERIFY LOCATIONS AND ELEVATIONS OF EXISTING UTILITIES PRIOR TO CONSTRUCTION.

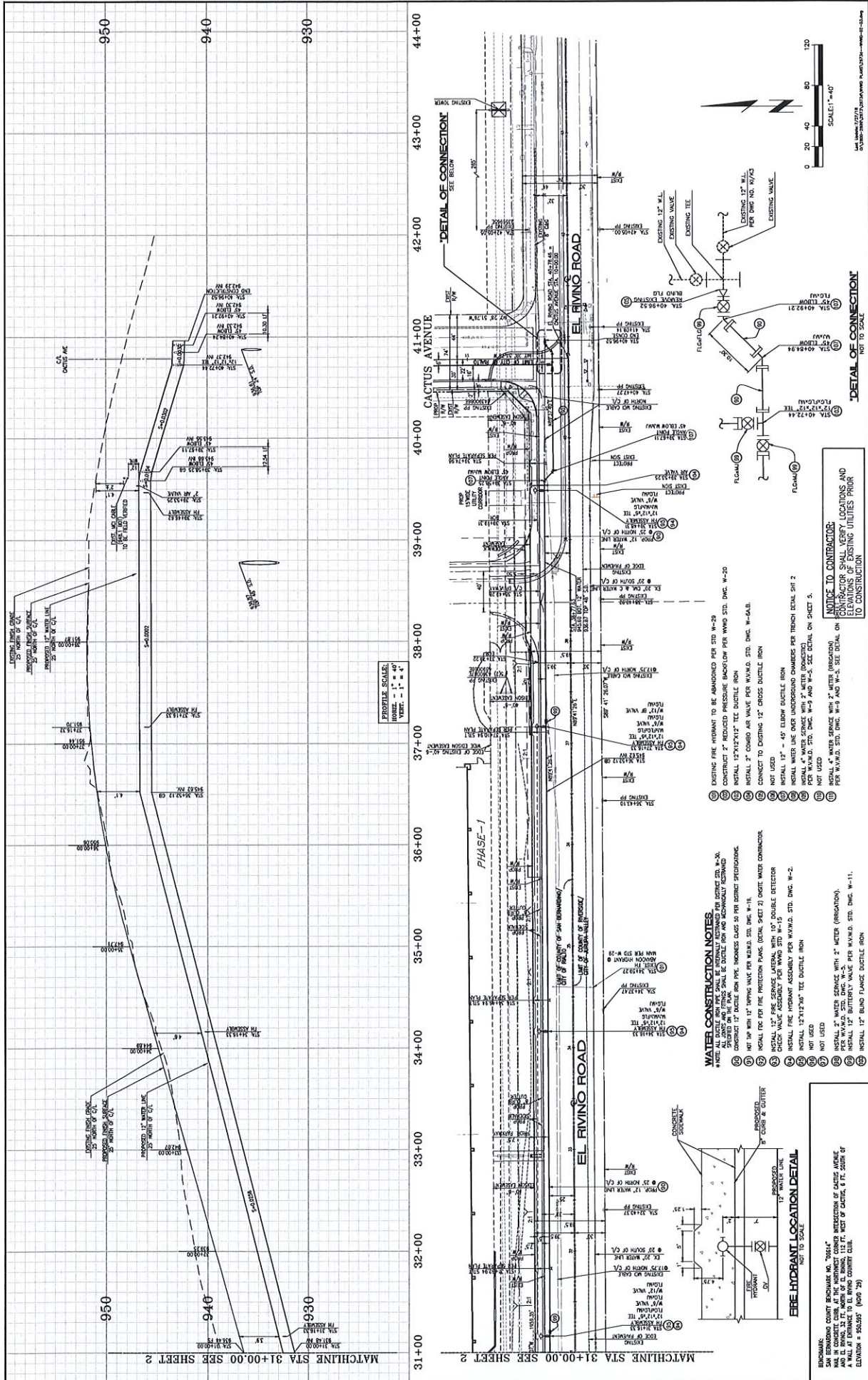


Exhibit C

CITY OF RIALTO - PUBLIC WORKS / ENGINEERING

COST ESTIMATE
WATER IMPROVEMENTS (Off Site)
EL RIVINO INDUSTRIAL I, LLC - PHASE 1

Developer: Panattoni
 Engineer: Haidook Aghaian-THIENES ENGINEERING
 Phone No.: 714 521-4811
 Drawing No.: 2873d

Planning Case #: PPD 2017-0082
 TM No./PM No.:
 Date: 3/12/2019 revised

ITEM	QUANTITY	UNIT	UNIT COST (\$)	AMOUNT
12" Ductile Iron Pipe	3150	LF	\$ 103.00	\$ 324,450.00
Hot Tap 20" Line with 12" Line on El Rivino Rd	1	EA	\$ 7,500.00	\$ 7,500.00
Cold Tap 12" Line with 12" Line On Cactus Ave	1	EA	\$ 7,500.00	\$ 7,500.00
FDC	1	EA	\$ 1,500.00	\$ 1,500.00
12" Fire Service	2	EA	\$ 18,000.00	\$ 36,000.00
Fire Hydrant	9	EA	\$ 5,000.00	\$ 45,000.00
6"x12"x12" Tee	9	EA	\$ 1,000.00	\$ 9,000.00
4" Water Service with 2" Meter(IRRI)	1	EA	\$ 4,500.00	\$ 4,500.00
4" Water Service with 2" Meter(DOM)	1	EA	\$ 4,500.00	\$ 4,500.00
2" Water Service with 2" Meter	1	EA	\$ 2,000.00	\$ 2,000.00
12" Butterfly Valve	14	EA	\$ 1,800.00	\$ 25,200.00
12" Blind Flange	3	EA	\$ 750.00	\$ 2,250.00
2" Backflow/Pressure Reducer	2	EA	\$ 2,000.00	\$ 4,000.00
3" Backflow/Pressure Reducer	1	EA	\$ 2,000.00	\$ 2,000.00
12"x12"x12" Tee	5	EA	\$ 1,500.00	\$ 7,500.00
Abandon existing FH	3	EA	\$ 1,500.00	\$ 4,500.00
Install two combo air valve	2	EA	\$ 1,500.00	\$ 3,000.00
install 12" W/L over chambers/detail 108	500	LF	\$ 120.00	\$ 60,000.00
12" 45 degree Bend	4	EA	\$ 750.00	\$ 3,000.00
Water Improvement (Off Site) Subtotal				\$ 553,400.00

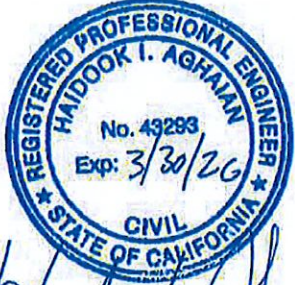

Haidook I. Aghaian
 3/12/19

Exhibit D

BOARD OF DIRECTORS

Dr. Michael Taylor
President, Board of Directors
Kyle Crowther
Vice President, Board of Directors
Dr. Clifford O. Young, Sr.
Director
Greg Young
Director
Donald Olinger
Director
Crystal L. Escalera
Board Secretary
Patricia Romero
Assistant to the Board Secretary



ESTABLISHED AS A PUBLIC AGENCY IN 1952
 WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
 SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
 AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
 WATER-USE EFFICIENCY AND CONSERVATION.

ADMINISTRATIVE STAFF

Clarence C. Mansell, Jr.
Interim General Manager
Ricardo Pacheco
Assistant General Manager
Deborah L. Martinez
*Human Resources
 and Risk Manager*
Naisha Davis
Chief Financial Officer

2018 HOLIDAY LIST

MONDAY, DECEMBER 24	CHRISTMAS EVE
TUESDAY, DECEMBER 25	CHRISTMAS
MONDAY, DECEMBER 31	NEW YEAR'S EVE

2019 HOLIDAY LIST

TUESDAY, JANUARY 1	NEW YEAR'S DAY
MONDAY, JANUARY 21	MARTIN LUTHER KING, JR.
MONDAY, FEBRUARY 18	PRESIDENT'S DAY
MONDAY, MAY 27	MEMORIAL DAY
THURSDAY, JULY 4	INDEPENDENCE DAY
MONDAY, SEPTEMBER 2	LABOR DAY
MONDAY, NOVEMBER 11	VETERANS DAY (OBSERVED)
THURSDAY, NOVEMBER 28	THANKSGIVING
FRIDAY, NOVEMBER 29	DAY AFTER THANKSGIVING
TUESDAY, DECEMBER 24	CHRISTMAS EVE
WEDNESDAY, DECEMBER 25	CHRISTMAS
TUESDAY, DECEMBER 31	NEW YEAR'S EVE

2020 HOLIDAY LIST

WEDNESDAY, JANUARY 1	NEW YEAR'S DAY
MONDAY, JANUARY 20	MARTIN LUTHER KING, JR.



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: April 10, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., General Manager
SUBJECT: CONSIDER APPROVAL OF A COOPERATIVE AGREEMENT FOR THE SUSTAINABLE MANAGEMENT OF THE SAN BERNARDINO BASIN AREA

BACKGROUND:

The San Bernardino Valley area has experienced historically low rainfall and hot summers, causing a drought of some 20 years. Groundwater storage levels in the San Bernardino Basin are at an all time low. Ensuring water supply reliability and long-term groundwater sustainability has become even more important. While adjudicated basins such as the San Bernardino Basin Area (SBBA), including the Bunker Hill Groundwater Basin, are not subject to most provisions of the Sustainable Groundwater Management Act of 2014 (SGMA), water managers are expected to manage the SBBA in accordance with the sustainability principles to avoid deleterious impacts on the basin.

In 2015, local water agencies began meeting to identify and develop a Groundwater Sustainability Council for the SBBA, now known as the Groundwater Council (GC). The goals of the GC formation group were to identify the water resources to ensure a sustainable water supply into the future, and to equitably share the cost of those resources amongst the pumpers.

The underlying principles that drove this effort were that the groundwater basin is a shared resource, and everyone has a shared responsibility to avoid the classic “tragedy of the commons,” where this responsibility is being shouldered by some but not all groundwater producers. In the dozens of meetings over the past three years, and hundreds of hours invested by the organizers a method to equitably allocate the costs of sustainable basin management was developed.

These principles, and the procedures developed to implement them, have been incorporated into a “San Bernardino Basin Groundwater Council Framework Agreement,” which is attached as Exhibit A. The GC Agreement includes an Equitable Allocation Model (EAM) developed by the Basin Technical Advisory Committee (BTAC), the technical collaborative group that for years has been cooperatively analyzing and developing policies for regional water management.

The Equitable Allocation Model is a methodology to share costs under the GC Agreement. It seeks to balance historical water rights with current water demands on, and contributions to, basin water supplies. While somewhat technical in expression, the EAM is a result of years of work by stakeholders in the Basin. The EAM proportions the water cost based upon an agency’s “gap”

between its own supplies and demand. This method recognizes an agency's investment in water conservation and other supplies like surface water and recycled water. It represents a middle ground that copes with the reality of present water use and supply, while recognizing historical efforts and investments in developing water rights.

DISCUSSION:

West Valley Water District (WVWD) utilizes various water sources to supply its customers including water purchased through the Base Line Feeder, and from WVWD owned wells in the Lytle Creek and Bunker Hill groundwater Basins, all of which are within the SBBA. The San Bernardino Valley Municipal Water District (Valley District) is a regional agency formed to plan long-range water supplies for the San Bernardino Valley. Valley District imports water into its service area through participation in the State Water Project (SWP) and manages groundwater storage within its service area boundary.

WVWD and Valley District wish to cooperatively work together to ensure the long-term sustainability of the SBBA by coordinating the withdrawal and recharge of groundwater in the SBBA with imported SWP water by entering into a Cooperative Agreement for the Sustainable Management of the San Bernardino Basin Area which is attached as Exhibit B.

FISCAL IMPACT:

WVWD will provide sufficient funds to acquire the water needed to offset WVWD's extractions from the SBBA (the "Recharge Obligation"). Each year Valley District will determine the Recharge Obligation using the most recent version of the EAM developed by the BTAC to proportion the total purchase of imported SWP water. WVWD will also provide sufficient funds to offset the operation and maintenance costs associated with the use of recharge facilities used to deliver water for the benefit of wells used by WVWD.

STAFF RECOMMENDATION:

It is recommended that the Engineering, Operations and Planning Committee approve the Agreement for the Sustainable Management of the San Bernardino Basin Area between the San Bernardino Valley Municipal Water District and West Valley Water District to ensure future sustainability of the San Bernardino Basin Area and have this item considered by the full Board of Directors at a future meeting.

Respectfully Submitted,



Clarence Mansell Jr, General Manager

LJ:ce

ATTACHMENT(S):

1. Exhibit A - San Bernardino Basin Groundwater Council Framework Agreement
2. Exhibit B - Cooperative Agreement for the Sustainable Management of the San Bernardino Basin Area

EXHIBIT A

SAN BERNARDINO BASIN GROUNDWATER COUNCIL FRAMEWORK AGREEMENT

This SAN BERNARDINO BASIN GROUNDWATER COUNCIL FRAMEWORK AGREEMENT (“Agreement”) is entered into and effective this ___ day of _____, 2018 by and among the City of Colton (“Colton”), the City of Redlands (“Redlands”), the City of Rialto (“Rialto”), the City of San Bernardino Municipal Water Department (“SBMWD”), City of Loma Linda (“Loma Linda”), East Valley Water District (“East Valley”), San Bernardino Valley Municipal Water District (“Valley District”), San Bernardino Valley Water Conservation District (“Conservation District”), Fontana Water Company (“FWC”), West Valley Water District (“WVWD”), Yucaipa Valley Water District (“Yucaipa”), Bear Valley Mutual Water Company (“BVMWC”), and Loma Linda University (“LLU”) each of which is referred to as a “Party,” for the purpose of coordinating the development and implementation of groundwater management activities that individually or cumulatively address groundwater management in the Bunker Hill Sub-basin of the Upper Santa Ana Valley Basin (“Basin”), and achieving groundwater sustainability throughout the Basin.

RECITALS

WHEREAS, the Parties to this Agreement all overlie, produce water from, or are otherwise interested in the management and long-term sustainability of the groundwater basin identified as the San Bernardino Basin Area; and

WHEREAS, California Department of Water Resources’ (“DWR”) Bulletin 118 defines the Upper Santa Ana Valley Bunker Hill Sub-basin (No. 8-002.06), the boundaries of which, as defined therein and as may be amended in the future, constitute the limits of the Basin covered hereunder. A map depicting that Basin is attached hereto as Exhibit A. DWR Bulletin 118 presently classifies the Bunker Hill Basin as high priority.

WHEREAS, surface water and groundwater supplies in large portions of the Basin are governed by a number of judicial decrees and contracts, including but not limited to the *Orange County Water District v. City of Chino et al.* (Orange County Superior Court, Case No. 117628, April 17, 1969) *Western Municipal Water District of Riverside County v. East San Bernardino County Water District et al.* (Riverside County Superior Court Case No. 78426, April 17, 1969); *Big Bear Municipal Water District v. North Fork Water Company*, San Bernardino Superior Court Case No. SCV 165493, and *City of San Bernardino v. Fontana Water Company*, San Bernardino Superior Court Case No. 17030 (January 28, 1924).

WHEREAS, Water Code § 10720.8(a) identifies the San Bernardino Basin Area as an adjudicated area. As such, this area is exempt from the Sustainable Groundwater Management Act (SGMA) passed by the California Legislature in September 2014, other than providing certain kinds of data to DWR per Water Code § 10720.8(f).

WHEREAS, notwithstanding that the Basin is not required to comply with SGMA, the Parties to this Agreement wish to collaborate their efforts to identify their respective access to and application of imported water supplies, and to harmonize use of such supplies with available groundwater in the Basin. The goal is to ensure that the water imported into the Basin, and the

facilities used to apply both imported and native water supplies to productive beneficial use, will all be maintained and managed in a manner that will be sustainable over the long-term. The Parties recognize that the key to success in this effort will be coordination of amounts and areas of recharge in different parts of the Basin, by acting in conjunction with other groundwater management entities active in portions of the Basin.

WHEREAS, the purpose of ensuring water supply reliability and long-term effectiveness and viability of recharge facilities has become even more important as a result of recently experienced low groundwater storage levels and the reduction of imported water supplies, due to environmental and other restrictions. One purpose of this Agreement is to facilitate the cooperation of the Parties to ensure a reliable and conjunctively utilized water supply of replenishment water that can prevent overdraft or other negative impacts from occurring during an extended drought, and for the foreseeable future.

WHEREAS, the Parties, individually and collectively, have the goal of cost effective cooperative groundwater management that considers the interests and concerns of all of the communities and parties that rely upon the Basin for their water supply.

WHEREAS, the Parties hereby enter into this Agreement to establish the San Bernardino Basin Groundwater Council (“GC”) to undertake the preliminary steps necessary to prepare for and coordinate the management of groundwater supply resources throughout the Basin, and to coordinate maintenance of conveyance and recharge facilities to expedite such management. The GC will coordinate with existing groundwater management agencies in the Basin as well as the individual Ex Officio participants, as defined below, and will be responsible for ensuring overall coordination and sustainable management of the Basin.

WHEREAS, the Parties have agreed that the preliminary steps of GC formation will include preparation of formation documents and procedures, the possible hiring of needed experts, and the development of a budget for this GC as memorialized in this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the matters recited and the mutual promises, covenants, and conditions set forth in this Agreement, the Parties hereby agree as follows:

1. DEFINITIONS

1.1 Definitions. In addition to the terms that may be defined elsewhere in this Agreement, the following terms when used in this Agreement shall be defined as follows:

1.1.1 “*Agreement*” means this Groundwater Council Agreement.

1.1.2 “*Plaintiff*” means any of the following entities: City of Riverside, Riverside Highlands Water Company, Meeks and Daley Water Company, Regents of University of California, or Western Municipal Water District as named in the 1969 Judgment in Case Number 78426, *Western Municipal Water District of Riverside County et al. vs. East San Bernardino County Water District et al.*“

1.1.3 “**Annual Basin Groundwater Report**” shall mean the annual report prepared by the Groundwater Council, to cover topics including but not limited to the following: annual production, recharge, environmental issues, exchanges, and all other actions and topics material to groundwater conditions in the Basin. In preparing such report, the Groundwater Council may consult with, and draw from, data and information provided by the Watermaster and Conservation District and other reliable sources regarding annual groundwater conditions. The Annual Basin Groundwater Report is not intended to supplement or supplant the annual reports of the various Watermasters operating within the Basin that are filed with the Superior Court or any Watermasters’ required reporting under the Sustainable Groundwater Management Act (SGMA).

1.1.4 “**Basin**” shall mean the Upper Santa Ana Valley Bunker Hill Groundwater Basin, Sub-basin 8-002.06, as designated in DWR’s Bulletin No. 118, and as its boundaries may be modified from time to time through the procedures described in California Water Code § 10722.2.

1.1.5 “**Groundwater Council**” or “**GC**” or shall mean the Upper Santa Ana Valley Bunker Hill Basin Groundwater Council, the oversight body coordinating the management, replenishment, and preservation of groundwater supply and quality of the Basin. The GC shall be composed of representatives of each Party and should they decide to participate, a representative of any other groundwater management authority over any portion of the Basin, as further provided herein. The GC’s duties shall include the integration and coordination of the use of imported water supplies for replenishment of the Basin, facilitation of implementation of GC policies and initiatives through the legal authorities of its members, management of budgeting and funding for the maintenance, development, and management of regional groundwater infrastructure, and dispute resolution that may occur within or between the Parties or Ex Officio members of the GC.

1.1.6 “**BTAC**” shall mean the Basin Technical Advisory Committee, as originally created under the auspices of the Upper Santa Ana River Watershed Integrated Regional Water Management Plan, as such Committee may be modified from time to time to allow for the additional participation of one or more Parties to this Agreement. The BTAC may be tasked to undertake specified actions in support of the GC.

1.1.7 “**Effective Date**” shall mean the date that a majority of the Parties approve of and enter into the Agreement.

1.1.8 “**Equitable Allocation**” shall mean the manner of determining the facilities’ operations and maintenance (“O&M”) costs, and supplemental water cost, for each Party based on the annual approved budget. This allocation will be performed pursuant to the formulas and procedures described in Exhibit B of this Agreement. The allocation shall determine the portion of equitable O&M cost, and the portion of equitable water cost, to be apportioned to each Party or other participant for the applicable GC budget year. These allocations shall also be used to determine the voting weight afforded to each voting member of the GC, under this Agreement and further procedural processes as may be developed by the GC.

1.1.9 “**Ex Officio participant**” shall mean those entities that participate in the GC by virtue of their status as plaintiffs or successors in interest to plaintiffs in *Western Municipal Water District of Riverside County v. East San Bernardino County Water District et al.* (Riverside County Superior Court Case No. 78426, April 17, 1969), but which shall not be a considered Parties to this Agreement.

1.1.10 “**Cost Share**” shall mean that portion of the overall annual operating costs of the GC, assigned to a Party pursuant to the Equitable Allocation, as determined in the annual budget of the GC.

2. TERM

2.1 This Agreement shall become operative on the Effective Date. If an eligible Party has not executed this Agreement by June 30, 2018, such party may join this GC Agreement only as an additional member of the GC, pursuant to Section 3.5, below.

2.2 This Agreement shall remain in effect for a period of five (5) years following the Effective Date, unless earlier terminated by the unanimous written consent of all then-active Parties, provided, however, that this Agreement shall remain in effect during the term of any contractual obligation or indebtedness of the GC that was previously approved by the GC.

2.3 Any Party shall have the ability to withdraw from this Agreement upon serving written notice of its intention to withdraw on all other Parties at least twelve (12) months before that Party’s withdrawal becomes effective. Such notice shall be served on the GC at a regularly scheduled meeting and on each of the Parties to this Agreement separately. The withdrawing Party may withdraw upon eighty percent (80%) approval of the voting members of the GC.

2.4 Any Ex Officio participant in the GC shall have the ability to withdraw from participation in the GC upon thirty (30) days written notice to the Parties.

3. COUNCIL CREATION AND PURPOSE

3.1 Creation of the GC. There is hereby created the Upper Santa Ana Valley Bunker Hill Basin Groundwater Council. The GC shall be, to the extent permitted by law, the forum within which the Parties shall coordinate the access to and utilization of imported water supplies for application to the recharge and replenishment of the Basin, and for the maintenance, and repair of recharge and conveyance facilities for both native and imported supplies to replenish the Basin, consistent with applicable law and judicial decrees.

3.2 Purpose of the Agreement. The purpose of this Agreement, and the creation of the GC, is to provide for the funding, integration, and coordination of the management of imported water and associated groundwater replenishment facilities of the Basin. The purpose is also the facilitation of implementation of policies and initiatives through the legal authorities of one or more Parties, for the purpose of cooperatively managing certain aspects of the Basin, including but not limited to accessing and applying imported water supplies to augment and complement native water supplies, toward the goal of maintaining the long-term yield of the Basin and ensuring that overdraft or other negative impacts are prevented in the

future and eliminated over time; and undertaking imported water replenishment activities that are approved by the GC and included in the annual approved budget.

3.3 Membership of the GC. The GC shall consist of a representative from each Party. One party may serve in multiple representative roles, and this will be accounted for in the Equitable Allocation. GC Members shall be appointed in the manner set forth in Section 3.4 of this Agreement.

3.4 Appointment of Members to the GC. Each Party or other entity entitled to membership on the GC shall appoint one representative member of the GC, who shall be the senior executive management level employee of the Party, or a senior executive management-level employee of other recognized groundwater management entity. Each eligible member may determine its own process for appointing its representative member. Members of the GC shall serve throughout the term of this agreement, provided that such members may be subject to removal and replacement by the appointing Party in the event the representative is no longer in the employ of the appointing Party.

3.5 Additional Members. The GC may permit admission of additional members upon an eighty percent (80%) vote of the Equitable Allocation weighted votes among all then-existing Parties, upon such terms and conditions as the GC in its discretion may impose. Such conditions may include requiring contributions to any GC initiatives for securing imported water supplies, or maintenance and operations expenses of groundwater replenishment facilities, to assure equitable distribution of the costs of such initiatives or facilities to those benefiting from them.

3.6 Ex Officio Participants. The GC shall include the plaintiff parties or the successors in interest to the plaintiff parties in *Western Municipal Water District of Riverside County v. East San Bernardino County Water District et al.* (Riverside County Superior Court Case No. 78426, April 17, 1969) as “Ex Officio” participants, unless any Ex-Officio participant withdraws from the GC pursuant to Section 2.4, above. Such Ex-Officio participants shall not have the ability to vote on any matters before the GC, but shall be permitted to provide input and other support for GC efforts. Notwithstanding any other provision of this Agreement, and except as otherwise provided in other agreements, judgments or settlements, Ex Officio participants shall not be liable for any costs or fees associated with the GC or its activities related to importing groundwater into the Basin and shall not be considered “members” of the GC as that term is used in this Agreement. Ex Officio participants may jointly execute a separate agreement with the Conservation District that will provide for the annual payment of no more than 27.95% of costs associated with the recharge of native waters.

4. COUNCIL MEETINGS AND ACTIONS

4.1 Initial Meeting. The initial meeting of the GC shall be held at a location overlying the Basin within forty-five days (45) days of the Effective Date of this Agreement. At the initial meeting the GC shall select a President to chair its meetings, a Vice President to serve if the President is unavailable, a Secretary to record GC proceedings and actions, and any other officers it deems appropriate to the successful and efficient conduct of its business.

4.2 Regular Meeting Schedule and Rules of Proceeding. The GC shall establish a regular meeting time and place at its initial meeting. The GC may vote to change the regular meeting time and place, provided that the new location remains at a place overlying the Basin. The GC may adopt, promulgate, repeal, or revise further rules of debate, presentation of motions, voting and proxies, process, or proceedings, as it may deem appropriate.

4.3 Quorum. A quorum of the GC shall consist of majority of the total Equitable Allocation weighted votes among all voting members. In the absence of a quorum, no business may be transacted beyond the adjournment of a meeting by the remaining members. For efficiency, business may be discussed and action recommended for the consent calendar ratification at the next regular meeting. A member shall be deemed present for the determination of a quorum if the member is present at the meeting in person, or if they participate in the meeting telephonically upon such rules and procedures as the GC may promulgate.

4.4 GC Voting Rights. Each voting member of the GC shall have its Equitable Allocation weighted vote, as such may be revised from time to time either (a) pursuant to pre-negotiated mechanisms for the adjustment of the Equitable Allocation, due to fluctuations in the groundwater production or other criteria on which the initial Equitable Allocation is based, or (b) by an eighty percent (80%) vote of the total Equitable Allocation voting weight held by all voting members. Exhibit B indicates the voting rights of each party, and shall be modified periodically as specified in the procedures included in Exhibit B.

4.4.1 Fiscal items, including but not limited to, approval of the annual budget of the GC and any expenditures, shall require an affirmative vote by a supermajority constituting eighty percent (80%) of all Equitable Allocation voting weight. To the extent the GC may form groups which contain less than all members for projects where not all members are participants, such committees will have an additional committee agreement identifying the requirements of committee members, and voting requirements attending fiscal obligations of such committees.

4.4.2 Any change in annual contributions necessary to support the work of the GC shall require an affirmative vote by a supermajority constituting eighty percent (80%) of all of all Equitable Allocation voting weight.

4.5 Minutes. The GC shall cause minutes to be kept of all meetings of the GC and any appointed Standing Committees. The GC shall further cause a copy of draft minutes to be forwarded to each member of the GC and to each Party and Ex Officio member, which may be done electronically, or by way of posting to a commonly available website or digital portal.

4.6 Annual Budgeting and Expenditure Approval.

4.6.1 The fiscal year of the GC shall be July 1 through June 30. The GC shall develop, circulate, and approve an annual budget for the funding of bringing imported water supply to the Basin, and for the maintenance and repair of groundwater recharge or water conveyance facilities serving replenishment of the Basin. The Budget shall be prepared by a Budget Committee, which shall consist of three (3) member Parties of the GC appointed by a qualifying vote of at least 80% of the weighted Equitable Allocation, no later than January 31 of the fiscal year prior to the one for which the budget is to operate. The Budget Committee shall coordinate with BTAC and Valley District as the State Water Project Contractor, to determine the likely allocation of available State Water Project imported water supplies, and other available non-native sources of imported water, the likely unit cost of such imported water, and the recharge needs of the Basin, in terms of quantities of water, locations where Basin conditions would most benefit from imported recharge, condition and availability of facilities to accomplish such recharge, and cost. From these sources, the Budget Committee shall prepare a budget that recommends all of the following:

- (a) the amount of imported water supplies proposed to be bought or otherwise acquired by GC members in the coming year;
- (b) the recommended application or distribution of such imported water supplies to various parts of the Basin;
- (c) the estimated cost of all ongoing maintenance, repair, and operation costs for then-existing groundwater recharge and conveyance facilities serving to replenish the Basin;
- (d) any administrative costs of the GC; and
- (e) proposed allocation of all expenditures in the Budget among GC members as their portion of the Cost Share based upon the Equitable Allocation Model.

4.6.2 No later than March 1 prior to the beginning of the year for which the budget is to operate, the Budget Committee shall present and circulate to all GC members the proposed Budget, for review and analysis. The circulated budget shall include the underlying presumptions and worksheets upon which it is based. The Budget Committee, or its designee, shall make itself reasonably available to respond promptly to any inquiries or information requests regarding the proposed budget.

4.6.3 No later than sixty (60) days after presentation of the budget by the Budget Committee, the GC shall meet to deliberate and pass upon the budget. The GC may accept, reject, or modify in any way the budget as proposed by the Budget Committee. Adoption of the budget shall require an eighty percent (80%) vote of the weighted Equitable Allocation, provided, however, that if a segregable portion or portions of the budget can be identified which prevent the overall budget from obtaining an eighty percent (80%) approval vote, the GC shall pass those portions of the budget upon which an eighty percent (80%) majority can be achieved, and shall refer those portions upon which approval cannot be obtained back to the Budget Committee for further recommendation on how such portions might be eliminated, reduced in

scope or cost, or otherwise modified, and represented to the GC for eighty percent (80%) approval. No portion of the GC budget imposing any expenditures on any Party shall be approved or adopted on less than an eighty percent (80%) vote of the Equitable Allocation weighted voting, but the inability to secure an eighty percent (80%) vote on segregable portions of the budget shall not prevent the GC from implementing, and proceeding with, those portions of the budget which secured the required eighty percent (80%) approval.

4.7 The Valley District shall perform the accounting and revenue collection functions of the GC in tracking and securing the funding from the GC members pursuant to the approved annual budget, and consistent with the approved cost allocations among the GC members therein, for all imported water supplies. The Conservation District shall perform the accounting and revenue collection functions of the GC in tracking and securing the funding from the GC members pursuant to the approved annual budget, and consistent with the approved cost allocations among the GC members therein, for all facilities costs. The Conservation District shall credit each Party or Ex Officio participant otherwise subject to the Conservation District's groundwater charge, in the amounts such Party contributes to the GC budget for facilities costs that would be encompassed in that groundwater charge, in order to prevent double collection of such costs with the Conservation District's groundwater charges. Groundwater charges payable by the Ex Officio Participants may be suspended as part of the separate funding agreement outlined in Section 4.8. In the event of any delinquency, either Valley District or the Conservation District may request the GC to appoint it, or any other GC member or group of members, to represent the GC in securing collection of unpaid and owing amounts from any delinquent member or members. The reasonably incurred costs of such collection efforts may be reimbursed to the agent the GC authorizes to go forward with them, and may be added as an administrative cost to other members, or as a credit against future amounts owing to the GC from such authorized agent.

4.8 Ex Officio participants will not be subject to the Conservation District's groundwater charges as long as a separate funding agreement as outlined in this Section 4.8 is in effect. Ex Officio participants may jointly negotiate and execute a separate agreement with the Conservation District and/or Valley District that will provide for the annual payment of up to 27.95% of costs associated with the recharge of native waters. As of the Effective Date of this Agreement, Ex Officio participants understood the estimated annual costs associated with water recharge, both native and imported, to be \$800,000 for Conservation District activities and \$200,000 for activities that may occur in recharge basins outside of the Conservation District's control. Ex Officio participants, via the separate funding agreement, may agree to collectively pay no more than 27.95% of the cost for recharge of native waters. In any such agreement, in the event that imported water is recharged and the costs for such activity are comingled with the cost for recharge of native water, the Conservation District and/or Valley District will pro-rate the costs associated with recharge to separate the costs for native and imported water recharge. Ex Officio participants are not intended to be charged for the costs of recharge of imported water or associated capital, the operations and maintenance for imported supplies, or any other costs not expressly agreed to in the separate funding agreement.

4.9 No later than six (6) months into the budget year for which any budget is adopted by the GC, the Budget Committee shall prepare a year-in-process budget review, to assess the validity and accuracy of the presumptions upon which the budget was based, identify

any budget savings or additional expenditures, assess any additional opportunities for groundwater replenishment that may have come available since the passing of the budget, and otherwise assess and recommend to the GC any potential amendment to the existing year budget, or suggestions for the following year's budget, as changing conditions may warrant. *(This section may not be needed based upon finalization of the Equitable Allocation formula.)*

5. COUNCIL POWERS AND DUTIES

5.1 The GC shall exercise the following powers:

5.1.1 To adopt rules, regulations, policies, bylaws and procedures governing the operation of the GC.

5.1.2 To produce an Annual Basin Groundwater Report, using as may be appropriate data regarding groundwater conditions available from the Watermaster, the Conservation District, or other sources.

5.1.3 To monitor groundwater production and extractions in coordination with BTAC and pertinent local groundwater management agencies.

5.1.4 To make, after consultation with BTAC, annual recommendations for the amount of additional artificial recharge for the Basin from imported sources as a complement to native sources, and to plan for the development and application of such additional sources of recharge.

5.1.5 To establish as-needed Ad Hoc and Standing advisory committees for the purpose of making recommendations to the GC. Committees shall exist for the term specified in the action creating the committee, and the GC may dissolve a committee at any time through an eighty percent (80%) majority vote of Equitable Allocation voting weight.

5.1.6 To contract for the services of engineers, attorneys, planners, financial consultants, and separate and apart therefrom, to appoint agents and representatives to employ such other staff persons as necessary. The BTAC will provide technical support for the GC, upon such terms as the GC and BTAC shall agree in writing. Ex Officio members shall not be responsible for BTAC costs.

5.2 In addition to the above-referenced powers, the GC may, by an eighty percent (80%) vote of the Equitable Allocation, decide to activate and exercise any or all of the following additional powers:

5.2.1 To collect and monitor all data related and beneficial to the development, adoption and implementation of appropriate groundwater level management for the Basin.

5.2.2 To collect charges from GC members as authorized in the approved budget.

5.2.3 To cooperate, act in conjunction, and contract with the United States, the State of California, or any agency thereof, counties, municipalities, public and private corporations of any kind (including without limitation, investor-owned utilities), and individuals, or any of them, for any and all purposes necessary or convenient for the purposes of this Agreement.

5.2.4 To accumulate operating and reserve funds and invest the same as allowed by law for the purposes of the GC.

5.2.5 As may be permitted by law, to apply for and accept grants, contributions, donations and loans, including under any federal, state or local programs for assistance in developing or implementing any of its projects or programs in connection with any project undertaken in the GC's name.

5.2.6 To acquire lease, purchase, construct, hold, manage, maintain, operate and dispose of any buildings, property, water rights, works or improvements within and without the respective boundaries of the Parties necessary to accomplish the purposes described herein, or to assist any Party in doing so.

5.2.7 To implement the Cost Share in a manner that qualifies as a pass through charge under the Constitutional requirements of Proposition 218 and similar revenue-raising requirements.

5.2.8 To exercise any power necessary or incidental to the foregoing powers in the manner and according to the procedures provided for under the law applicable to the Parties to this Agreement.

5.2.9 In addition to the above, and to the extent not directly represented on the GC, the GC shall coordinate its efforts with the agencies that are charged with implementing all applicable judicial decrees governing the Basin.

6. FUNDING GC ACTIVITIES

Funding for GC activities shall be provided pursuant to an expense sharing mechanism described in more detail in Exhibit B hereto. This mechanism is based in part on a regional sharing of Operation and Maintenance costs for San Bernardino Basin Area recharge activities, as those Operation and Maintenance costs shall be determined by the GC in its annual budgeting, in conjunction with BTAC. All Parties shall share in the Operation and Maintenance cost components. Ex Officio participants shall not share in any costs which are attributable to bringing imported water to the Basin nor its recharge, but all other Parties shall participate in such costs, pursuant to the Equitable Allocation attached as Exhibit B hereto. Ex Officio participants intend to, through separate agreement(s) with the Conservation District and/or Valley District, cooperate in the payment of up to a maximum of 27.95% of costs associated with the recharge of water that results from natural precipitation and run-off in the basin (native water). Each Party shall be contractually responsible hereunder for the annual payment of fees for their assigned portion of the budgeted expenses of the GC, based on that Party's allocation, as determined by the aforementioned allocation formula and the approved GC budget.

7. DISPUTE RESOLUTION

The Parties recognize that there may be disputes regarding the obligations of the Parties or the interpretation of this Agreement. The Parties agree that they may attempt to resolve disputes as follows:

7.1 Statement Describing Alleged Violation of Agreement A Party or Parties alleging a violation of this Agreement (the “**Initiating Party(ies)**”) shall provide a written statement describing all facts that it believes constitute a violation of this Agreement to the Party(ies) alleged to have violated the terms of this Agreement (the “**Responding Party(ies)**”).

7.2 Response to Statement of Alleged Violation The Responding Party(ies) shall have sixty (60) days from the date of the written statement to prepare a written response to the allegation of a violation of this Agreement and serve that response on the Initiating Party(ies) or to cure the alleged violation to the reasonable satisfaction of the Initiating Party(ies). The Initiating Party(ies) and the Responding Party(ies) shall then meet within thirty (30) days of the date of the response to attempt to resolve the dispute amicably.

7.3 Mediation of Dispute If the Initiating Party(ies) and the Responding Party(ies) cannot resolve the dispute within ninety (90) days of the date of the written response, they shall engage a mediator, experienced in water-related disputes, to attempt to resolve the dispute. Each Party shall ensure that it is represented at the mediation by a Director or Trustee or other representative with authority to settle. These representatives of the Initiating Party(ies) and the Responding Party(ies) may consult with staff and/or technical consultants during the mediation and such staff and/or technical consultants may be present during the mediation. The costs of the mediator shall be divided evenly between the Initiating Party(ies) and the Responding Party(ies). The decision of the mediator shall be non-binding.

7.4 Reservation of Rights Subject to the above requirements, in the event that mediation fails, each Party retains and may exercise all legal and equitable rights and remedies it may have to enforce the terms of this Agreement; provided, that prior to commencing litigation, a Party shall provide at least five (5) calendar days’ written notice of its intent to sue to all Parties.

8. RELATIONSHIP TO WATER RIGHTS AND PRIOR AGREEMENTS

8.1 Water Rights and Existing Agreements Nothing in this Agreement is intended to modify the water rights of the Parties or the Ex Officio participants, whether existing under a judgment, proceedings of the State Water Resources Control Board, or the common law. Nothing in this Agreement is intended to modify any existing agreements between and among the Parties, unless expressly stated herein.

8.2 Agreements Among Water Users Nothing in this Agreement is intended to modify the rights of the signatories of this Agreement among themselves.

8.3 Judgments Nothing in this Agreement is intended to modify the rights of the Parties under the terms of the judgments in *Orange County Water District v. City of Chino et al.* (Orange County Superior Court, Case No. 117628, April 17, 1969) and *Western Municipal*

Water District of Riverside County v. East San Bernardino County Water District et al. (Riverside County Superior Court Case No. 78426, April 17, 1969); *Chino Basin Water District v. City of Chino*, San Bernardino Superior Court Case No. 164327; *Big Bear Municipal Water District v. North Fork Water Company*, San Bernardino Superior Court Case No. SCV 165493; or *City of San Bernardino v. Fontana Water Company*, San Bernardino Superior Court Case No.17030 (January 28, 1924). It is the intention of the Parties in forming the GC to apply, administer, and conform to the requirements and provisions of each of these judgments. In the event of any conflict between the actions of the GC, and the requirements and provisions of such judgments, the latter shall control.

8.4 No Admissions. Nothing in this Agreement shall be construed as an admission by any Party regarding any subject matter of this Agreement, including but not limited to the water rights or priorities of same of the Parties.

8.5 Preservation of Rights. The Parties agree that this Agreement, to the extent allowed by law, preserves all rights of the Parties as they may exist as of the Effective Date of this Agreement. Nothing in this Agreement is to be construed as altering the priorities or entitlements of water right holders among themselves to water from the Santa Ana River or the Basin.

9. MISCELLANEOUS

9.1 Authority. Each signatory of this Agreement represents that s/he is authorized to execute this Agreement on behalf of the Party for which s/he signs. Each Party represents that it has legal authority to enter into this Agreement and to perform all obligations under this Agreement, and that by doing so, such Party is not in breach or violation of any other agreement or contract.

9.2 Amendment. Except as to fluctuations in the Equitable Allocation as otherwise provided for herein, this Agreement may be amended or modified only by a written instrument approved by an eighty (80)% vote of the Equitable Allocation

9.3 Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California, except for its conflicts of law rules. Any suit, action, or proceeding brought under the scope of this Agreement shall be brought and maintained to the extent allowed by law in the County of San Bernardino, California.

9.4 Headings. The paragraph headings used in this Agreement are intended for convenience only and shall not be used in interpreting this Agreement or in determining any of the rights or obligations of the Parties to this Agreement.

9.5 Construction and Interpretation. This Agreement has been arrived at through negotiations, and each Party has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in the construction or interpretation of this Agreement.

9.6 Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to its subject matter, and supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Agreement.

9.7 Partial Invalidity. If, after the date of execution of this Agreement, any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws or adjudicatory decisions effective during the term of this Agreement, such provision shall be fully severable. However, in lieu thereof; there shall be added a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

9.8 Successors and Assigns. To the extent authorized by law, this Agreement shall be binding on and inure to the benefit of the successors and assigns of the respective Parties to this Agreement. No Party may assign its interests in or obligations under this Agreement without the written consent of the other Parties, which consent shall not be unreasonably withheld or delayed.

9.9 Waivers. Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement, and forbearance to enforce one or more of the remedies provided in this Agreement shall not be deemed to be a waiver of that remedy.

9.10 Attorneys' Fees and Costs. The prevailing Party in any litigation or other action to enforce or interpret this Agreement shall be entitled to reasonable attorneys' fees, expert witnesses' fees, costs of suit, and other and necessary disbursements, in addition to any other relief deemed appropriate by a court of competent jurisdiction.

9.11 Necessary Actions. Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Agreement.

9.12 Compliance with Law. In performing their respective obligations under this Agreement, the Parties shall comply with and conform to all applicable laws, rules, regulations and ordinances.

9.13 Third Party Beneficiaries. This Agreement shall not create any right or interest in any non-Party or in any member of the public as a third party beneficiary.

9.14 Notices. All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing unless provided otherwise in this Agreement and shall be deemed to have been duly given and received on: (i) the date of service if served personally or served by facsimile transmission on the Party by delivery to the person(s) at the address(es) designated below, which designation may be changed from time to time by a Party in writing; (ii) on the first day after mailing, if mailed by Federal Express, U.S. Express Mail, or other similar overnight courier service, postage prepaid, and addressed as provided below, or (iii) on the third day after mailing if mailed to the Party to whom notice is to be given by first class mail, registered or certified, postage prepaid, addressed as follows:

To CITY OF COLTON:

CITY OF COLTON
Attn: David Kolk, Utilities Director
650 N. La Cadena Drive
Colton, CA 92324

To CITY OF REDLANDS:

CITY OF REDLANDS
Attn: Paul Toor, Public Works Director
35 Cajon Street
Redlands, CA 92373

To CITY OF RIALTO:

CITY OF RIALTO
Attn: Thomas J. Crowley, Utilities Manager
150 S. Palm Avenue
Rialto, CA 92376

To CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT:

CITY OF SAN BERNARDINO MUNICIPAL
WATER DEPARTMENT
Attn: Miguel Guerrero, Director, Water Utility
397 Chandler Place
San Bernardino, CA 92408

To CITY OF LOMA LINDA:

CITY OF LOMA LINDA
Attn: Bill Walker, Director of Utilities
25541 Barton Road
Loma Linda, CA 92354

To EAST VALLEY WATER DISTRICT:

EAST VALLEY WATER DISTRICT
Attn: John J. Mura, General Manager
3111 Greenspot Road
Highland, CA 92346

To SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT:

SAN BERNARDINO VALLEY MUNICIPAL
WATER DISTRICT
Attn: Doug Headrick, General Manager
380 E. Vanderbilt Way
San Bernardino, CA 92408

To SAN BERNARDINO VALLEY WATER
CONSERVATION DISTRICT:

SAN BERNARDINO VALLEY WATER
CONSERVATION DISTRICT
Attn: Daniel Cozad, General Manager
1630 West Redlands Blvd., Suite A
Redlands, California 92373

To FONTANA WATER COMPANY:

FONTANA WATER COMPANY
Attn: Chris Fealy, Water Resources Manager
Post Office Box 309
Fontana, CA 92335

To WEST VALLEY WATER DISTRICT: WEST VALLEY WATER DISTRICT
Attn: Greg Gage, Assistant General Manager
855 W Baseline Road
Rialto, CA 92376

To YUCAIPA VALLEY WATER DISTRICT: YUCAIPA VALLEY WATER DISTRICT
Attn: Joe Zoba, General Manager
12770 2nd Street
Yucaipa, CA 92399


To BEAR VALLEY MUTUAL WATER COMPANY: BEAR VALLEY MUTUAL WATER COMPANY
Attn: Bob Martin
101 E. Olive Avenue
Redlands, CA 92373

To LOMA LINDA UNIVERSITY: LOMA LINDA UNIVERSITY
Central Utilities Plant
Attn: Bill Walker, Director of Utilities
11100 Anderson Street
Loma Linda, CA 92350

9.15 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

**CITY OF COLTON,
a California general law city and
municipal corporation**

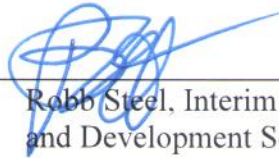
DATED: _____, 2018

By: 
William R. Smith, City Manager

[Signatures continued on next page]

CITY OF RIALTO
a California general law city and
municipal corporation

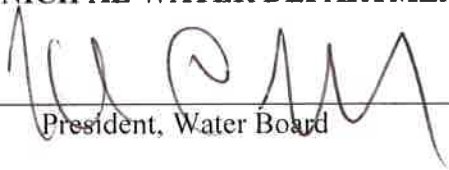
DATED: 2/28, 2018

By: 
Robb Steel, Interim City Administrator
and Development Services Director

[Signatures continued on next page]

**CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT**

DATED: 2-27, 2018

By: 

President, Water Board

Attest: 

[Signatures continued on next page]

Exhibit A

2017 SAMPLE Calculation
(recalculation occurs annually)

Agency	Total Costs (2017)	Voting Weight
Bear Valley Mutual Water Company	\$ 120	0.003%
City of Colton	\$ 114,889	3.1%
City of Loma Linda	\$ 254,297	6.8%
City of Redlands	\$ 675,115	21.2%
City of Rialto	\$ 322,534	8.7%
City of San Bernardino	\$ 1,413,384	37.8%
East Valley Water District	\$ 442,602	14.1%
Fontana Union Water Company	NA	NA
Loma Linda University	\$ 31,157	0.8%
Mountain View Power Co.	\$ 84,747	NA
Muscoy Mutual Water Company No. 1	\$ 44,106	NA
San Bernardino County - Facility Management	\$ 17,976	NA
San Bernardino Valley M.W.D.	\$ 1,987	NA
Terrace Water Company	\$ 15,082	NA
West Valley Water District	\$ 262,360	7.0%
Yucaipa Valley Water District	\$ 14,603	0.4%
Other San Bernardino Extractions	\$ 222,549	NA
San Bernardino Entities Total:	\$ 3,917,509	100%
Western Entities Total:	\$ 279,500	0%
Total:	\$ 4,197,009	100%

CITY OF LOMA LINDA
a California charter city and
municipal corporation

ATED: 2/14, 2018

By: 
T. Jarb Thaipejr, City Manager

[Signatures continued on next page]

Execution Copy

Dated: 2/01/2016

Agency East Valley Water District

Name: John Mura 

Title: General Manager/CEO

**SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT**

DATED: February 20, 2018

By: Douglas A. Headrick
Douglas Headrick, General Manager

[Signatures continued on next page]

Execution Copy

SAN BERNARDINO VALLEY WATER
CONSERVATION DISTRICT
1630 W. Redlands Blvd, Suite A
Redlands, CA 92373

APPROVED AS TO FORM:

David B. Campbell
General Counsel

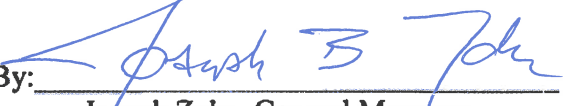
Richard Cornells
President, Board of Directors

Dated: 1.27.16

Attest: *[Signature]*
Secretary of the Board

YUCAIPA VALLEY WATER DISTRICT

DATED: February 6, 2018

By: 
Joseph Zoba, General Manager

[Signatures continued on next page]

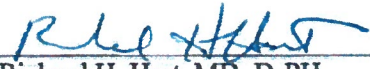
**BEAR VALLEY MUTUAL WATER
COMPANY, a California mutual water
company**

By: David Knight
David Knight, Board President

DATED: February 20, 2018

[Signatures continued on next page]

LOMA LINDA UNIVERSITY

By: 
Richard H. Hart, MD, DrPH,
President

[End of Signatures Pages]

EXHIBIT A

Map of Upper Santa Ana Bunker Hill Basin

(Taken from DWR Bulletin No. 118)

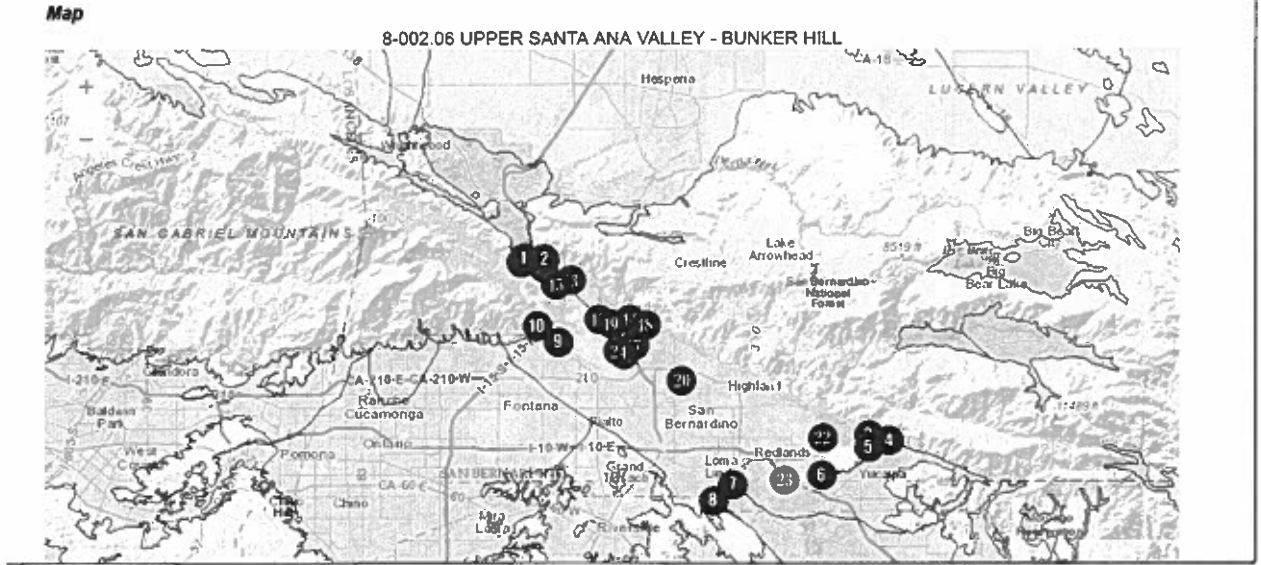


Exhibit B**EQUITABLE ALLOCATION METHOD**

The Parties to this agreement have agreed to equitably share costs and establish the voting weight for each Party using the following method, which shall be performed annually after the annual submittal of the Western-San Bernardino Watermaster Report to the Court. The details for this method are included in a Microsoft Excel Spreadsheet titled *BTAC Equitable Allocation Method SBBA 1.18.18.xlsx*, as amended by the GC from time to time, which is incorporated here by reference. Copies of that file have been made available to all parties.

I. Calculation of the Equitable Operations and Maintenance (O&M) Cost.

The equitable distribution of the O&M Costs amongst the Parties shall be calculated from the approved budget, as follows:

$$\text{Equitable O\&M Cost}_{\text{Plaintiffs}} = 0.2795 \times \text{O\&M Costs}$$

$$\text{Equitable O\&M Cost}_{\text{Non Plaintiffs}} = \text{Proportion of Total Pumping} \times 0.7205 \times \text{O\&M Costs}$$

where,

O&M Costs = annual budgeted or actual costs to operate and maintain the facilities needed to recharge supplemental water into the SBBA that have been reviewed and approved by the Council

$$\text{Proportion of Total Pumping (\%)} = \frac{\text{Party's total SBBA pumping}}{\text{Non-Plaintiff Total SBBA Pumping}}$$

where,

Party's total SBBA pumping (acre-feet) = the Party's total amount pumped from the SBBA for the previous complete calendar year, as published by the Western-San Bernardino Watermaster, and adjusted for any water pumped by one Party and received by another Party, to coordinate with non-parties still paying the groundwater charge, Parties may be requested to report production to the SBVWCD, as needed.

Non-Plaintiff Total SBBA Pumping (acre-feet) = total Non-Plaintiff pumping of the parties for the previous complete calendar year, as recorded by the Western-San Bernardino Watermaster.

II. Calculation of the Equitable Water Cost.

The equitable distribution of the water cost for sustainability will only be paid by the Non-Plaintiff parties and shall be calculated, as follows:

$$\text{Equitable Water Cost} = \text{Party Gap} + \text{Sustainability}$$

where,

$$\text{Party Gap (\$)} = \frac{(\text{Gap}_{1959-63} + \text{Gap}_{\text{Last 5 Years}})}{2} * \text{SWP Cost}$$

where,

$$\frac{(\text{Gap}_{1959-63} + \text{Gap}_{\text{Last 5 Years}})}{2} < 0, \text{ else Party Gap (\$) = \$0}$$

$$\text{Gap}_{1959-63} \text{ (acre-feet)} = \text{GWSY}_{1959-63} + \text{SW}_{1959-63} - \text{Demand}_{\text{Previous Year}}$$

$$\text{Gap}_{\text{Last 5 Years}} \text{ (acre-feet)} = \text{GWSY}_{\text{Last 5 Years}} + \text{SW}_{\text{Last 5 Years}} - \text{Demand}_{\text{Previous Year}} + \text{Net New Recycled}_{\text{Previous Year}}$$

where,

GWSY₁₉₅₉₋₆₃ = local groundwater supplies available to a Party as a portion of their base period safe yield.

The base period safe yield for the SBBA has been proportioned amongst the Parties as described below:

where,

$$\text{GWSY}_{1959-63} = \text{Safe Yield}_{1959-63} - \text{SW}_{1959-63}$$

SW₁₉₅₉₋₆₃ = average surface water usage by a party from 1953-1963

Demand_{Previous Year} = total water demand calculated for the Party for the previous year using published data, as approved by the Council.

GWSY_{Last 5 Years} = local groundwater supplies available to a Party as a portion of their current Safe Yield.

The safe yield of the last 5 years for the SBBA will be proportioned amongst the Parties as described below.

where,

$$\text{GWSY}_{\text{Last 5 Years}} = \text{Safe Yield}_{\text{Last 5 Years}} - \text{SW}_{\text{Last 5 Years}}$$

SW_{Last 5 Years} = average surface water usage by a party within the last 5 years.

Net New Recycled_{Previous Year} = The amount of recycled water from the previous year minus Recycled₁₉₅₉₋₆₃

where,

Recycled₁₉₅₉₋₆₃ is the amount of recycled water used in the base period

$$\text{Sustainability (\$)} = \text{Water Use} \times (\text{Total Equitable Water Cost} - \text{Total Gap (\$)})$$

where,

$$\text{Water Use (\%)} = \frac{\text{Party Water Use (acre-feet)}}{\text{Total Water Use (acre-feet)}}$$

where,

Party Water Use (acre-feet) = the Party's total average water use over the past, complete, 5 year period (surface water, groundwater, recycled water, imported water, etc.)

Total Water Use (acre-feet) = Summation of each individual Party Water Use

Total Equitable Water Cost = Sustainable Amount x SWP Cost

where,

Sustainable Amount (acre-feet) = The amount of SWP water, in acre-feet, needed to achieve long-term sustainability which shall be obtained from the latest edition of the San Bernardino Valley Regional Urban Water Management Plan, Average Scenario for the latest planning year plus the published reliability factor, currently 10%

SWP cost (\$/acre-foot) = The cost for recharged SWP water as published in the San Bernardino Valley Municipal Water District Resolution 888, as amended

Total Gap (\$) = Summation of each individual Party Gap (\$) for all Parties

Proportioning Safe Yield.

The Western-San Bernardino Judgment does not apportion the safe yield by water agency. The Parties agree that, for purposes of this agreement, the Safe Yield will be apportioned, as follows:

Safe Yield₁₉₅₉₋₆₃: The safe yield during the Base Period was proportioned as follows:

Agency	Safe Yield ₁₉₅₉₋₆₃
Bear Valley Mutual Water Company	12,996
City of Colton	3,150
City of Loma Linda	1,855
City of Redlands	26,598
City of Rialto	1,890
City of San Bernardino	19,425
East Valley Water District	13,599
Fontana Union Water Company	14,221
Loma Linda University	1,016
Mountain View Power Co.	1,040
Muscoy Mutual Water Company No. 1	1,767
San Bernardino County - Facility Management	1,532
San Bernardino Valley M.W.D.	-
Terrace Water Company	984
West Valley Water District	11,752
Yucaipa Valley Water District	-

Other Non-Plaintiff Extractions	55,412
Non-Plaintiff Total:	167,238

Safe Yield_{Last 5 years}: The safe yield for the previous 5, complete, calendar years shall be proportioned based upon the total water use for each Party, as follows:

$$\text{Safe Yield}_{\text{Last 5 Years}} = \text{Water Use} \times \text{Safe Yield}_{\text{Non Plaintiffs}}$$

Where,

Water Use is a percentage (%) and is defined above

Safe Yield_{Non Plaintiffs} = defined by the Western-San Bernardino Watermaster from time to time, currently 172,745 acre-feet

Credit for Water. A party can provide a new regional supply for basin benefit and receive monetary credit towards their Equitable water cost.

$$\text{Credit for Water (\$)} = \text{water provided for basin benefit} \times \text{SWP Cost}$$

where,

Water provided for basin benefit = local surface water available to an agency that is controlled by that agency and intentionally delivered for groundwater recharge into the SBBA or new recycled water an agency is using to offset potable water use or is recharging into the SBBA above the amount of recycled water that agency was utilizing during the base period

SWP Cost = defined above

III. Formula for Voting Weight. The voting weight for each Party will be calculated, as follows:

$$\text{Voting Weight} = \frac{\text{Total Party Cost}}{\text{Total Costs}}$$

Where,

$$\text{Total Party Cost} = \text{Equitable O\&M Cost}_{\text{Non Plaintiffs}} + \text{Equitable Water Cost}$$

$$\text{Total Costs} = 0.7205 \times \text{O\&M Costs} + \text{Total Sustainable Water Cost}$$

The total sum of all of the individual Voting Weight values shall be equal to 1.0.

EXHIBIT B

1
2
3
4
5
6
7
8
9

**Cooperative Agreement
for the
Sustainable Management of the San Bernardino Basin Area
Between
San Bernardino Valley Municipal Water District and West Valley Water District**

10 This Cooperative Agreement for the Sustainable Management of the San Bernardino
11 Basin Area Between San Bernardino Valley Municipal Water District and West Valley Water
12 District (“**Agreement**”) is entered into and effective this __ day of _____, 2019 by and
13 between San Bernardino Valley Municipal Water District (“**Valley District**”) and West Valley
14 Water District (“**WVWD**”). Valley District and WVWD are each sometimes referred to herein
15 as a “**Party**” and are sometimes collectively referred to as the “**Parties.**”

16
17

Recitals

- 18 A. The Parties to this Agreement overlie, produce water from and are interested in the
19 sustainable management of the San Bernardino Basin Area (the “**SBBA**”), as defined in
20 Department of Water Resources Bulletin Number 118, latest edition. The boundary, at
21 the time of this agreement, is included as Exhibit A.
22
- 23 B. Under the Sustainable Groundwater Management Act (“**SGMA**”), the State of California
24 has directed that all groundwater basins shall be managed on a long-term sustainable
25 basis. SGMA generally exempts the SBBA from its requirements because the rights to
26 extract groundwater from the SBBA were previously adjudicated.
27
- 28 C. The Parties wish to cooperate so as to ensure the long-term sustainability of the SBBA by
29 coordinating the withdrawal and recharge of groundwater in the SBBA. The Parties
30 further wish to cooperate in making arrangements to acquire imported water to replenish
31 the SBBA as part of a program to ensure the long-term sustainability of the SBBA.
32
- 33 D. The Parties further wish to accomplish their joint goal of cooperative and collaborative
34 management of conjunctive use projects (i.e. recharge in Lytle Development, etc.) in the
35 most cost-effective manner possible, so as to reduce the cost of such sustainable
36 management on the public that the Parties serve.
37
- 38 E. The Parties wish to memorialize their agreements and understandings by means of this
39 Agreement.
40
41
42
43

44 Agreements

- 45
- 46 1. *Term of Agreement.* This Agreement shall become effective on the date first written
- 47 above and shall continue in full force and effect through either: (i) February 28, 2023, or
- 48 (ii) the date of termination, whichever comes first. Either Party may terminate this
- 49 Agreement upon one year’s prior written notice, with or without cause. Absent such
- 50 notice, however, this Agreement shall automatically renew for a five year period that
- 51 would commence on March 1, 2023 and end on February 28, 2028.
- 52
- 53 2. *Incorporation of the Baseline Feeder Agreement.* The Parties agree that the Restated and
- 54 Amended Agreement for the Construction, Operation and Maintenance of the New
- 55 Baseline Feeder (the “**Baseline Feeder Agreement**”) is incorporated herein by reference.
- 56
- 57 3. *Determination of Recharge Obligation.* WVWD agrees that it shall contribute to the
- 58 sustainable management of the SBBA by paying Valley District funds sufficient to
- 59 acquire the water needed to offset WVWD’s extractions from the SBBA (the “**Recharge**
- 60 **Obligation**”). No later than each November 30, Valley District shall calculate the
- 61 estimated Recharge Obligation for the upcoming calendar year and transmit that
- 62 estimated Recharge Obligation to WVWD. Valley District shall determine the Recharge
- 63 Obligation using the most recent version of the Equitable Allocation Model (“**EAM**”)
- 64 developed by the Basin Technical Advisory Committee to proportion the total purchase
- 65 of imported water to achieve long-term sustainability of the SBBA amongst the various
- 66 retail water agencies within the Valley District service area.
- 67
- 68 4. *Determination of Operation and Maintenance Costs.* WVWD agrees that it will pay
- 69 Valley District sufficient funds to offset the operation and maintenance costs associated
- 70 with the use of those recharge facilities, whether owned or operated by Valley District or
- 71 others, used to deliver water for the benefit of wells used by WVWD, whether directly or
- 72 under the auspices of the Baseline Feeder Agreement. Valley District will estimate and
- 73 provide such operation and maintenance costs to WVWD no later than each November
- 74 30, using a methodology approved by both Parties. WVWD shall present any concerns
- 75 with the estimate of operation and maintenance costs no later than each December 15. If
- 76 Valley District and WVWD are unable to resolve any concerns, the concerns would
- 77 become a dispute which would be resolved through the dispute resolution process in
- 78 Section 7.b. of this agreement.
- 79
- 80 5. *Calculation and Issuance of Annual Invoices.* No later than each January 31, Valley
- 81 District shall issue WVWD an annual invoice for the calendar year. WVWD agrees that
- 82 it will pay the sum of the following charges:
- 83

84 Recharge Obligation
85 (calculated as described in paragraph 2)

86 +

87
88
89 Operation and Maintenance Costs
90 (calculated as described in paragraph 3)

91 -

92
93
94 25% of Recharge Obligation
95 (calculated as described in paragraph 4(d) of the Baseline Feeder Agreement)

- 96
97 6. *Creation and Operation of Restricted Accounts.* Within 30 days of the effective date of
98 this Agreement, WVWD shall establish one or more restricted accounts for the purpose
99 of implementing this Agreement. In establishing such accounts, WVWD shall ensure
100 that funds deposited into such accounts may only be used for the purpose of
101 implementing this Agreement, absent the prior written consent of Valley District. [MN1]
102
- 103 a. Within 90 days of the effective date of this Agreement, WVWD shall deposit into
104 the restricted account(s) a sum of at least \$___ million, which the Parties jointly
105 agree would be sufficient to fund the Recharge Obligation and operations and
106 maintenance expenses for two years.
- 107
108 b. During its annual budgetary process, WVWD shall include in its budget sufficient
109 monies to pay the annual invoice issued by Valley District for that fiscal year in
110 full no later than each July 31st.
- 111
112 c. WVWD shall pay the annual invoice no later than each July 31st.
- 113
114 d. In the event that Valley District does not expend all of the funds paid by WVWD
115 during a given fiscal year, Valley District shall provide an accounting of such
116 unexpended funds to WVWD by each December 30 and shall return such
117 unexpended funds to WVWD no later than each January 30, without interest, to
118 be deposited in a separate, restricted fund by WVWD which will be used to
119 purchase supplemental water in excess of the annual Groundwater Council
120 obligation, when the water is available.
- 121

122 7. *Administration of Agreement*

- 123 a. *Books and Records.* Each Party shall have access to and the right to examine any
 124 of the other Party's pertinent books, documents, papers or other records
 125 (including, without limitation, records contained on electronic media) relating to
 126 the performance of that Party's obligations pursuant to this Agreement. Each
 127 Party shall retain all such books, documents, papers or other records to facilitate
 128 such review in accordance with that Party's record retention policy. Access to
 129 each Party's books and records shall be during normal business hours only.
 130 Nothing in this paragraph shall be construed to operate as a waiver of any
 131 applicable privileges.
- 132 b. *Disputes.* The Parties recognize that there may be disputes regarding the
 133 obligations of the Parties or the interpretation of this Agreement. The Parties
 134 agree that they may attempt to resolve disputes as follows:
- 135 i. *Statement Describing Alleged Violation of Agreement.* A Party or Parties
 136 alleging a violation of this Agreement (the "**Initiating Party(ies)**") shall
 137 provide a written statement describing all facts that it believes constitute a
 138 violation of this Agreement to the Party(ies) alleged to have violated the
 139 terms of this Agreement (the "**Responding Party(ies)**").
- 140 ii. *Response to Statement of Alleged Violation.* The Responding Party(ies)
 141 shall have sixty days from the date of the written statement to prepare a
 142 written response to the allegation of a violation of this Agreement and
 143 serve that response on the Initiating Party(ies) or to cure the alleged
 144 violation to the reasonable satisfaction of the Initiating Party(ies). The
 145 Initiating Party(ies) and the Responding Party(ies) shall then meet within
 146 thirty days of the date of the response to attempt to resolve the dispute
 147 amicably.
- 148 iii. *Mediation of Dispute.* If the Initiating Party(ies) and the Responding
 149 Party(ies) cannot resolve the dispute within ninety days of the date of the
 150 written response, they shall engage a mediator, experienced in water-
 151 related disputes, to attempt to resolve the dispute. Each Party shall ensure
 152 that it is represented at the mediation by a Director. These representatives
 153 of the Initiating Party(ies) and the Responding Party(ies) may consult with
 154 staff and/or technical consultants during the mediation and such staff
 155 and/or technical consultants may be present during the mediation. The
 156 costs of the mediator shall be divided evenly between the Initiating
 157 Party(ies) and the Responding Party(ies).
- 158 iv. *Prior to Claims Under California Tort Claims Act.* The Parties agree that
 159 the procedure described in this paragraph __ represents an effort to resolve

160 disputes without the need for a formal claim under the California Tort
 161 Claims Act or other applicable law. The period of time for the
 162 presentation of a claim by one Party against another shall be tolled for the
 163 period from the date on which the Initiating Party(ies) file a written
 164 statement until the date upon which the mediator renders a decision.

165 v. *Reservation of Rights.* Nothing in this paragraph ___ shall require a Party
 166 to comply with a decision of the mediator and, after the completion of the
 167 mediation process described above, each Party shall retain and may
 168 exercise at any time all legal and equitable rights and remedies it may
 169 have to enforce the terms of this Agreement; provided, that prior to
 170 commencing litigation, a Party shall provide at least five calendar days'
 171 written notice of its intent to sue to the other Party.

172 8. *General Provisions.*

173 a. *Authority.* Each signatory of this Agreement represents that s/he is authorized to
 174 execute this Agreement on behalf of the Party for which s/he signs. Each Party
 175 represents that it has legal authority to enter into this Agreement and to perform
 176 all obligations under this Agreement.

177 b. *Amendment.* This Agreement may be amended or modified only by a written
 178 instrument executed by each of the Parties to this Agreement.

179 c. *Jurisdiction and Venue.* This Agreement shall be governed by and construed in
 180 accordance with the laws of the State of California, except for its conflicts of law
 181 rules. Any suit, action, or proceeding brought under the scope of this Agreement
 182 shall be brought and maintained to the extent allowed by law in the County of San
 183 Bernardino, California.

184 d. *Headings.* The paragraph headings used in this Agreement are intended for
 185 convenience only and shall not be used in interpreting this Agreement or in
 186 determining any of the rights or obligations of the Parties to this Agreement.

187 e. *Construction and Interpretation.* This Agreement has been arrived at through
 188 negotiations and each Party has had a full and fair opportunity to revise the terms
 189 of this Agreement. As a result, the normal rule of construction that any
 190 ambiguities are to be resolved against the drafting Party shall not apply in the
 191 construction or interpretation of this Agreement.

192 f. *Entire Agreement.* This Agreement constitutes the entire agreement of the Parties
 193 with respect to the subject matter of this Agreement and, save as expressly
 194 provided in this Agreement, supersedes any prior oral or written agreement,
 195 understanding, or representation relating to the subject matter of this Agreement.

- 196 g. *Partial Invalidity.* If, after the date of execution of this Agreement, any provision
 197 of this Agreement is held to be illegal, invalid, or unenforceable under present or
 198 future laws effective during the term of this Agreement, such provision shall be
 199 fully severable. However, in lieu thereof, there shall be added a provision as
 200 similar in terms to such illegal, invalid or unenforceable provision as may be
 201 possible and be legal, valid and enforceable.
- 202 h. *Successors and Assigns.* This Agreement shall be binding on and inure to the
 203 benefit of the successors and assigns of the respective Parties to this Agreement.
 204 No Party may assign its interests in or obligations under this Agreement without
 205 the written consent of the other Parties, which consent shall not be unreasonably
 206 withheld or delayed.
- 207 i. *Waivers.* Waiver of any breach or default hereunder shall not constitute a
 208 continuing waiver or a waiver of any subsequent breach either of the same or of
 209 another provision of this Agreement and forbearance to enforce one or more of
 210 the rights or remedies provided in this Agreement shall not be deemed to be a
 211 waiver of that right or remedy.
- 212 j. *Attorneys' Fees and Costs.* The prevailing Party in any litigation or other action
 213 to enforce or interpret this Agreement shall be entitled to reasonable attorneys'
 214 fees, expert witnesses' fees, costs of suit, and other and necessary disbursements
 215 in addition to any other relief deemed appropriate by a court of competent
 216 jurisdiction.
- 217 k. *Necessary Actions.* Each Party agrees to execute and deliver additional
 218 documents and instruments and to take any additional actions as may be
 219 reasonably required to carry out the purposes of this Agreement.
- 220 l. *Compliance with Law.* In performing their respective obligations under this
 221 Agreement, the Parties shall comply with and conform to all applicable laws,
 222 rules, regulations and ordinances.
- 223 m. *Third Party Beneficiaries.* This Agreement shall not create any right or interest in
 224 any non-Party or in any member of the public as a third-party beneficiary.
- 225 n. *Counterparts.* This Agreement may be executed in one or more counterparts,
 226 each of which shall be deemed to be an original, but all of which together shall
 227 constitute but one and the same instrument.
- 228 a. *Notices.* All notices, requests, demands or other communications required or
 229 permitted under this Agreement shall be in writing unless provided otherwise in
 230 this Agreement and shall be deemed to have been duly given and received on: (i)
 231 the date of service if served personally or served by electronic mail or facsimile

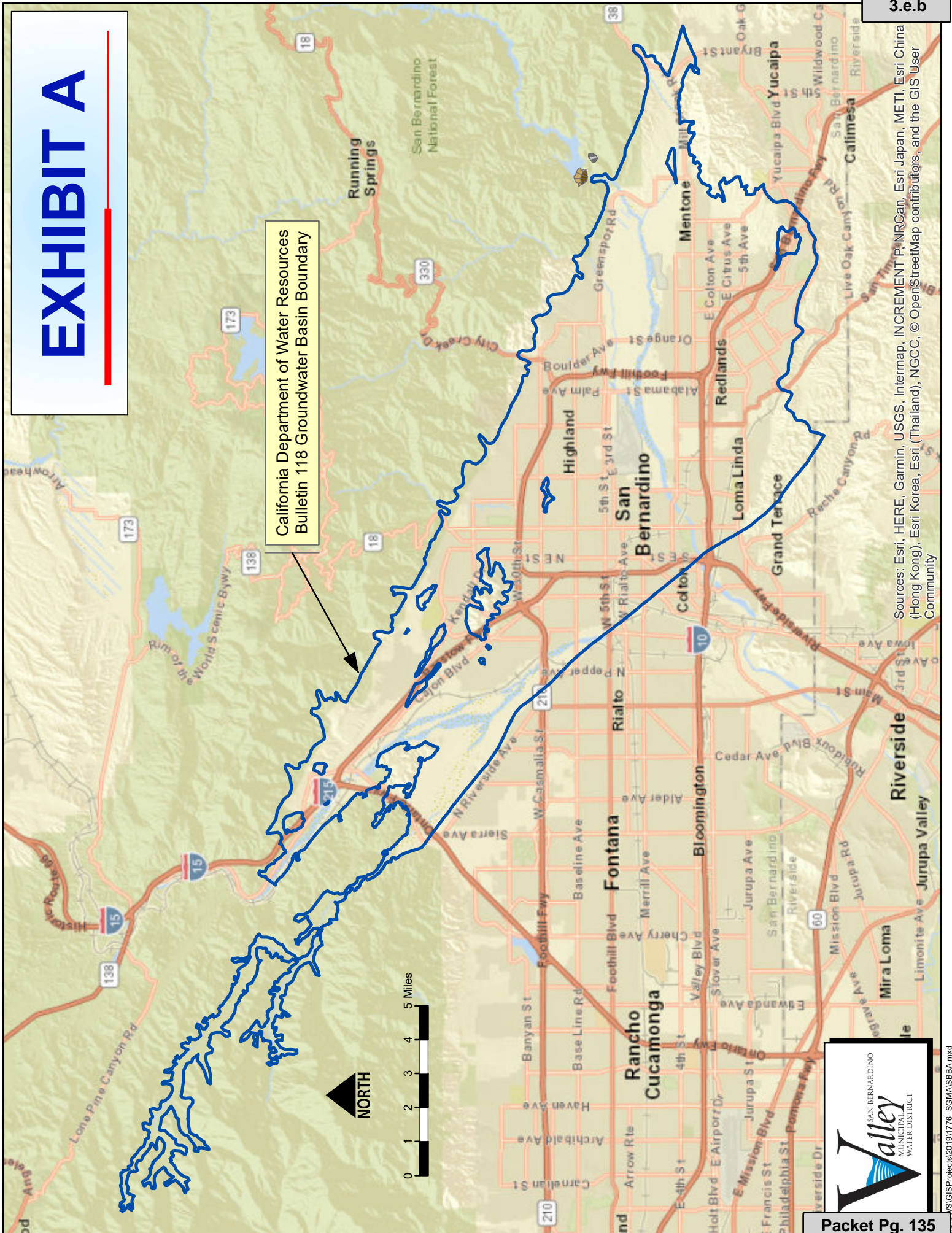
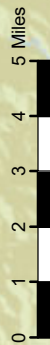
232 transmission on the Party to whom notice is to be given at the address(es)
233 provided below, (ii) on the first day after mailing, if mailed by Federal Express,
234 U.S. Express Mail, or other similar overnight courier service, postage prepaid, and
235 addressed as provided below, or (iii) on the third day after mailing if mailed to the
236 Party to whom notice is to be given by first class mail, registered or certified,
237 postage prepaid, addressed as follows:

238
239 **Notice information**

240
241 **Signature blocks**

EXHIBIT A

California Department of Water Resources
Bulletin 118 Groundwater Basin Boundary



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: April 10, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., General Manager
SUBJECT: RESOLUTION 2019-6 , APPLICATION FOR ECONOMIC ASSISTANCE GRANT

DISCUSSION:

West Valley Water District's mission is to provide our customers with a diversified, safe, high quality, and reliable water service at a reasonable rate and in a sustainable manner. As such, the District Board recently approved the Water Supply Reliability 2025 Program (WSR 2025), enabling District staff to begin planning projects which will allow the District to overcome water supply challenges in the region and continue meeting demands presented by rapid residential and commercial growth.

In an effort to further the District's mission, the Storm and Surface Water Infiltration and Injection Filtration Treatment (SSWIIFT) Basin project, a component of the WSR 2025 plan, has been planned for implementation within the Lytle Creek Ranch Development located in Rialto. Upon project completion, engineered SSWIIFT Basins will capture storm water runoff and eliminate the potential for flooding during rain events, while expediting the replenishment of decreasing groundwater levels for later use.

While the SSWIIFT program will provide multiple benefits for District residents and businesses, it is a costly program to implement. To mitigate the expected costs, a source of funding has been identified through the Economic Adjustment Assistance Program, administered by the Economic Development Administration (EDA.)

FISCAL IMPACT:

If awarded, the EDA Economic Adjustment Assistance grant would provide funds between \$3,000,000 to \$9,000,000, with an equal funds match requirement. The total cost to the District will be contingent upon the award amount, and split proportionately with partnering agencies.

STAFF RECOMMENDATION:

That the Board of Directors approves Resolution No. 2019-6, A RESOLUTION IN SUPPORT OF FILING AN APPLICATION WITHIN THE UNITED STATES ECONOMIC DEVELOPMENT ADMINISTRATION FOR A GRANT UNDER THE 2018 ECONOMIC

ADJUSTMENT ASSISTANCE PROGRAM; FY 2018 EDA DISASTER SUPPLEMENTAL GRANT.

Respectfully Submitted,



Clarence Mansell Jr, General Manager

CM:nl

ATTACHMENT(S):

1. EDA Grant Resolution

RESOLUTION NO. 2019-6

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WEST VALLEY WATER DISTRICT (THE DISTRICT)
IN SUPPORT OF FILING AN APPLICATION WITHIN THE UNITED STATES
ECONOMIC DEVELOPMENT ADMINISTRATION FOR A GRANT UNDER THE 2018
ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM; FY 2018 EDA DISASTER
SUPPLEMENTAL GRANT**

WHEREAS, the Economic Development Administration is currently soliciting proposals for grant funding assistance under their Economic Adjustment Assistance Program.

WHEREAS, District Staff has prepared a grant application under the United States Economic Development Administration Grants; Economic Adjustment Assistance Grant for Fiscal Year 2019.

WHEREAS, The District will work with the Economic Development Administration to meet established deadlines and has agreed to submit an application that addresses: *Stimulation of commerce and economic growth within District boundaries through ensuring a sustainable, reliable, and diversified water supply achieved by utilizing SSWIIFT basins to recharge and replenish local groundwater supplies, thereby reducing dependence on unreliable supplies of imported state water.*

WHEREAS, The District has the capability of to provide the amount of funding and/or in-kind contributions specified in the funding plan.

WHEREAS, The District will work with the Economic Development Administration to meet established deadlines for entering into a grant or cooperative agreement.

WHEREAS, Clarence Mansell, The District's General Manager serves as an official with legal authority to enter into an agreement for and on behalf of The District and its governing Board of Directors and has/will review and supports the application submitted.

THEREFORE BE IT RESOLVED, that the Board of Directors of the West Valley Water District hereby;

Section 1 **INCORPORATION OF RECITALS.** The West Valley Water District hereby finds and determines that the forgoing recitals of this Resolution are true and correct and hereby incorporated into this Resolution as though fully set forth herein.

Section 2 **APPLICATION.** That an application be made and submitted to the Economic Development Administration to obtain an Economic Adjustment Assistance Grant for West Valley Water District, Water Service Area for the replenishment of groundwater supplies in order to increase system reliability.

Resolution No. 2019-6

Section 3

AUTHORIZATION. The Board of Directors of the West Valley Water District authority **serves** as an official entity authorized to commit The District to the financial and legal obligations associated with receipt of a financial assistance award under the Economic Development Administration Economic Adjustment Assistance Program; and has authorized staff to prepare and submit the necessary data, required under the application guidelines as specified with Economic Development Administration for a funding request not to exceed \$9,000,000.

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss.
WEST VALLEY WATER)
DISTRICT)

I HEREBY CERTIFY that the forgoing Resolution No. 2019-6 was duly adopted by the West Valley Water District Board of Directors at a regular meeting, **ADOPTED, SIGNED AND APPROVED THIS 18th DAY OF April 2019 BY THE FOLLOWING VOTE:**

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

Resolution No. 2019-6

**Crystal Escalera, Board Secretary
to the Board of Directors of the West
Valley Water District**

PASS, APPROVED and ADOPTED this 18th day of April, 2019.

**Dr. Michael Taylor, President
of the Board of Directors of the
West Valley Water District**

ATTEST:

**Crystal Escalera, Board Secretary
to the Board of Directors of the West
Valley Water District**

APPROVED AS TO FORM:

**Robert Tafoya
West Valley Water District Legal Counsel**

Resolution No. 2019-6