

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

4376



FROM: Redevelopment Agency

SUBMITTAL DATE:
September 22, 2009

SUBJECT: Enchanted Heights Joint Contribution Agreement

RECOMMENDED MOTION: That the Board of Directors:

1. Approve and authorize the Chairman of the Board to execute the attached Joint Contribution Agreement for the Design of the Enchanted Heights Sewer System by and between the Redevelopment Agency, Eastern Municipal Water District and the Redevelopment Agency for the City of Perris; and
2. Authorize the Executive Director, or designee, to implement the attached agreement including, but not limited to, signing necessary and relevant documents.

BACKGROUND: The Enchanted Heights subdivision is a residential community originally built in the 1960s.
(continued)

Robert Field

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0.00	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0.00	For Fiscal Year:	2009 / 2010

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: No

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
Jennifer L. Sargent
BY: _____
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: MICHELLE CLACK
DATE: 9/23/09
Department of Administrative Services

Policy
 Consent
 Policy
 Consent
 Dept't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: _____ **District:** 5 **Agenda Number:** _____

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

4.2

BACKGROUND: (Continued)

The community is located partially within the boundaries of the City of Perris and partially in unincorporated Riverside County. The Enchanted Heights community is comprised of 562 lots on approximately 170 acres. Each lot varies in size from 6,000 square-feet to one-half acre. Of these lots, 446 residences rely on individual septic systems that often fail during the wet seasons posing a documented health concern with the potential to come into contact with perched groundwater.

The Eastern Municipal Water District proposes to install a new sewer collection system to serve the Enchanted Heights community. Eastern has completed the preliminary design phase and has determined that the estimated cost to design, construct, and connect the residents to the proposed collection sewer system is \$12,150,000.

Ultimately, Eastern will construct, own, operate and maintain the sewer collection system.

Following construction of the sewer collection system, the Redevelopment Agency for the County of Riverside proposes to coordinate efforts with the Redevelopment Agency for the City of Perris offering grant programs or funding to connect the individual lots, within their respective jurisdictions, to the then newly installed sewer collection system in accordance with the California Community Redevelopment Law.

Eastern proposes to pursue grants and other sources of non-county funds to finance the construction costs; however, final design must be completed to bring the sewer collection system project to a more funding ready status. Eastern estimates the design costs to be approximately \$618,000. The attached Joint Contribution Agreement proposes contributions of \$206,000 from each party including Eastern, County RDA and City RDA. The County RDA proposes to fund its contribution by offering sewer connections, as described above, within the City of Perris in an agreement by and between the County RDA and the City RDA to be identified in the future. In the immediate need, the City RDA will advance the County RDA's contribution.

County Counsel has reviewed and approved as to form the attached agreement. Staff recommends approval.

RF:ER 9618

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**JOINT CONTRIBUTION AGREEMENT
FOR THE DESIGN OF THE
ENCHANTED HEIGHTS SEWER SYSTEM**

This Joint Contribution Agreement ("Agreement") is made and entered into this ___ day of _____, 2009, between and among **THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**, a public agency (hereinafter "County Agency"), **EASTERN MUNICIPAL WATER DISTRICT**, a public agency (hereinafter "Eastern"), and **THE REDEVELOPMENT AGENCY OF THE CITY OF PERRIS**, a public agency (hereinafter "City Agency"). County Agency, City Agency and Eastern are hereinafter sometimes referred to individually as a Party and collectively as the "Parties".

RECITALS

WHEREAS, the Enchanted Heights subdivision is a residential community originally built in the 1960s. The community is located partially in the boundaries of the County of Riverside ("County") and partially in the boundaries of the City of Perris ("City"), along the western boundary of the City, as shown and depicted as the "Project Site" on the map attached hereto as Exhibit A; and

WHEREAS, the Project Site is comprised of 562 lots on approximately 170 acres. Each lot varies in size from 6,000 square-feet to one-half acre. Of these lots, 446 residences rely on individual septic systems that often fail during the wet seasons posing a documented health concern with the potential to come into contact with perched groundwater; and

WHEREAS, the Parties understand the severity of the situation and the urgent need to design and construct sewer system facilities ("Subject Sewer System") to replace the failing septic tank systems; and

WHEREAS, Eastern has completed the preliminary design phase and has determined that the estimated cost to design, construct, and connect the residents to the Subject Sewer System is \$12,150,000. Grants and other sources of funds will continue to be pursued to finance the construction costs; however, final design must be completed to bring the Subject Sewer System project to a more funding ready status; and

WHEREAS, the Parties understand that Eastern will construct, own, operate and maintain the Subject Sewer System; and

WHEREAS, following construction of the Subject Sewer System, County Agency and City Agency will each be responsible for offering grant programs or funding to connect the individual lots within their respective jurisdictions to the Subject Sewer System in accordance with the California Community Redevelopment Law ("CRL"); and

WHEREAS, the Parties desire to move forward with the design phase of the Subject Sewer System and are willing to jointly finance the cost of the final design work. Eastern has been appointed as the lead agency for these efforts.

NOW, THEREFORE, in consideration of the above recited premises, which are incorporated herein by reference, together with the mutual covenants herein contained and attached hereto, it is agreed that:

AGREEMENT

1. PROJECT DESIGN. Eastern shall be the lead agency for the final design of the Subject Sewer System. Eastern shall be responsible to retain the services of a qualified registered and licensed civil engineering firm to complete the final project design and prepare detailed construction plans and specifications for all of the Subject Sewer System in accordance with Eastern's design criteria and standards.

The scope of work entailed shall include the following:

- Final Design of 23,000 linear feet of 8" gravity pipe and 3,000 linear feet of 6" force main.
- Land acquisition and Final Design of a new lift station near the intersection of San Jacinto Avenue and Lukens Lane.
- Final Design for upgrades to the existing Diana Lift Station, owned and operated by Eastern.
- Eastern labor costs associated with the project during the design phase.

2. FINANCIAL CONTRIBUTION. Eastern has prepared a cost estimate of Six Hundred Eighteen Thousand Dollars (\$618,000) to design the Subject Sewer System, as described in the cost estimate attached hereto as Exhibit B. County Agency, Eastern and City Agency shall each contribute one-third (1/3) of the actual design cost, subject to a maximum amount not exceeding the estimated share of the design cost of Two Hundred Six Thousand Dollars (\$206,000) for each Party. Eastern will submit an invoice to City Agency and County Agency upon completion of design for each Party's share of the actual design cost, payable within ninety (90) days.

3. CITY AGENCY'S ADVANCE OF COUNTY AGENCY'S CONTRIBUTION; REIMBURSEMENT. Due to funding limitations City Agency agrees to advance County Agency's share of the design costs, and will pay County Agency's share upon receipt of an invoice from Eastern as described above. In accordance with all applicable law including the CRL, County Agency agrees to reimburse City Agency for such costs by funding part or all of the costs to connect individual lots to the Subject Sewer System within City Agency's jurisdiction pursuant to a County Agency or City Agency program. County Agency and City Agency agree to enter into additional agreements and execute documents reasonably necessary to carry out the foregoing reimbursement.

4. CHANGE ORDERS. Eastern shall have the authority, in its sole discretion, to approve any change order within the scope of this Agreement. However, in no event shall either the County Agency's contribution or the City Agency's contribution exceed Two Hundred Six Thousand Dollars (\$206,000).

5. NOTICES. Any written communication required or permitted to be given hereunder will be deemed received upon personal delivery or 48 hours after deposit in any United States mail depository, first class postage prepaid, and addressed to the party for whom intended, as follows:

If to Eastern: Eastern Municipal Water District
PO Box 8300
Perris, CA 92572-8300
Attn: General Manager

If to City Agency: Redevelopment Agency of the City of Perris
101 North "D" Street
Perris, CA 92370
Attn: Executive Director

If to County Agency: Redevelopment Agency for the County of Riverside
1325 Spruce St., Ste. 400
Riverside, CA 92507
Attn: Emilio Ramirez, Assistant Director

6. GENERAL. This Agreement contains the entire agreement between the Parties with respect to the matters herein provided for and may only be amended by a subsequent written amendment executed by all parties. This Agreement may be executed in counterparts, each of which shall be deemed an original but which together shall constitute a single agreement.

7. INDEMNIFICATION. In contemplation of the provisions of Section 895.2 of the California Government Code imposing certain tort liability jointly upon public entities solely by reason of such entities being parties to an agreement as defined by Section 895 of the Code, the Parties hereto, pursuant to the authorization contained in Section 895.4 and 895.6 of the Code, agree that each Party shall be liable for any damages including, but not limited to, claims, demands, losses, liabilities, costs and expenses including reasonable attorneys fees, resulting from the negligent or wrongful acts or omissions of their employees or agents in the performance of this Agreement, and each Party shall indemnify, defend and hold harmless the other Parties from such claims, demands, damages, losses or liabilities for their negligence; provided, however, that the civil engineering firm retained pursuant to Paragraph 1 above shall be deemed an independent contractor and not the agent of any of the Parties.

8. INVALIDITY; SEVERABILITY. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall constitute in full force and effect.

9. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

10. SIGNATURE CLAUSE. The signatories hereto represent that they have been appropriately authorized to execute this Agreement on behalf of the Party for whom they sign.

[End – Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

EASTERN MUNICIPAL WATER DISTRICT

By: _____
Anthony J. Pack, General Manager

Dated: _____

ATTEST:

By: _____

APPROVED AS TO FORM:

By: _____
Scott R. Heil, District Counsel

REDEVELOPMENT AGENCY OF THE CITY OF PERRIS

By: _____
Richard Belmudez, Executive Director

Date: _____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
Eric Dunn, City Attorney

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

By: _____
Jeff Stone, Chairman

Date: _____

ATTEST:

By: _____

APPROVED AS TO FORM:

Pamela J. Walls, Agency Counsel

By:  7/24/09
Michelle Clack, Deputy