

FORM APPROVED COUNTY COUNSEL  
 BY: M. Victor 1/2/10  
 DATE: \_\_\_\_\_  
 MARSHAL VICTOR

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

863 C



**FROM:** TLMA - Transportation Department

**SUBMITTAL DATE:**  
 February 9, 2010

**SUBJECT:** Agreement between the County of Riverside and City of Canyon Lake for roadway improvements on Newport Road, Railroad Canyon Road and Goetz Road.

**RECOMMENDED MOTION:** That the Board of Supervisors approve the Agreement between The County of Riverside (COUNTY) and City of Canyon Lake (CITY) for roadway improvements on Newport Road, Railroad Canyon Road and Goetz Road (PROJECT) in the "Audie Murphy Ranch" development, and authorize your chairman to execute same.

**BACKGROUND:** The Transportation Improvement Program provides for the completion of improvements on Newport Road, Railroad Canyon Road and Goetz Road in the "Audie Murphy Ranch" development.

Juan C. Perez  
 Director of Transportation

JCP:jrp:nn  
 (Continued On Attached Page)

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 104,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2009/2010
<b>SOURCE OF FUNDS:</b> TUMF - Central zone [WRCOG] (61%), Bond Settlement Proceeds (39%)				Positions To Be Deleted Per A-30 <input type="checkbox"/>
<b>C.E.O. RECOMMENDATION:</b>				Requires 4/5 Vote <input type="checkbox"/>

APPROVE

BY: Tina Grande  
 Tina Grande

County Executive Office Signature

Policy   
 Policy

Consent   
 Consent

Dep't Recomm.:  
 Per Exec. Ofc.:

Prev. Agn. Ref.

District: 3

Agenda Number:

ATTACHMENTS FILED  
 WITH THE CLERK OF THE BOARD

3.60

The Honorable Board of Supervisors

RE: Agreement between the County of Riverside and City of Canyon Lake for roadway improvements on Newport Road, Railroad Canyon Road and Goetz Road.

February 9, 2010

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The master developer of the "Audie Murphy Ranch" filed for a bankruptcy and left various roads within this development incomplete. These roads need to be completed in order to open them for public use. Strong interest has been expressed by the public and by officials of the City of Menifee and the City of Canyon Lake to complete the improvements of Newport Road, Railroad Canyon Road and Goetz Road. The necessary improvements consist of the construction of a pre-cast bridge, pavement, drainage facilities, modification of several traffic signals and associated work. The majority of the construction improvements are within the City of Menifee and the Goetz portion within the westerly segment is in the City of Canyon Lake. Both cities fully support the County's effort to complete the roadway construction.

The CITY has incurred engineering costs of One Hundred Four Thousand (\$104,000) for this project. The CITY proceeded with the engineering work since they had an active contract in place with the engineer that prepared the plans for Audie Murphy, saving time that the County would have had to spend to bring the engineer under contract. This agreement allows for the COUNTY to reimburse the CITY for the expenses incurred and the COUNTY will administer the construction of the project improvements.

The County was able to successfully negotiate a settlement of \$6.3 million with the bonding company that provided security for the construction of these improvements. The Transportation Department has also obtained a commitment of \$4 million from WRCOG TUMF funds toward these improvements. Together with the \$6.3 million settlement, this provides a total of \$10.3 million that the Transportation Department has available for the completion of Newport Road between Murrieta and Goetz to six lanes, and construct a bridge over the Salt Creek Channel and widen Goetz Road to four lanes between Normandy (old Newport) and Railroad Canyon Road. These improvements have been phased into two separate projects. Phase one is the completion of the Newport Road improvements which is expected to begin construction in March 2010, with the award of the construction contract going to the board for approval concurrently with this agreement. The Goetz Road design plans and environmental permits are being finalized and will be put out to bid this year as the second phase of this overall project. Since the County entered into the Bonds and Securities Agreement prior to the incorporation of Menifee, we are utilizing the proceeds of the settlement agreement to build these improvements on behalf of the Cities.

Project No.: A2-0750

**AGREEMENT BY AND BETWEEN**

**RIVERSIDE COUNTY**

**AND**

**CITY OF CANYON LAKE**

**FOR IMPROVEMENTS ON**

**NEWPORT ROAD, RAILROAD CANYON ROAD AND GOETZ ROAD CONNECTION**

This Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by and between the COUNTY of Riverside, (hereinafter "COUNTY"), and the CITY of Canyon Lake, (hereinafter "CITY") for the provision of certain roadway improvements on Newport Road (west of Goetz Road), Railroad Canyon and Goetz Road located within the jurisdictional boundaries of the CITY.

**RECITALS**

- A. COUNTY and CITY have determined that there is need to complete the roadway improvements on Newport Road, Railroad Canyon Road and Goetz Road (hereinafter "PROJECT") as shown in Exhibit "A" (Location Map).
- B. The PROJECT will be funded through Western Riverside Council of Governments (hereinafter "WRCOG") Transportation Uniform Mitigation Fee (hereinafter "TUMF") funds and settlement funds from the Audie Murphy Ranch Development. For any additional costs necessary to complete these improvements that are not covered by these funding sources, the County will work with WRCOG to secure additional funds or utilize Road and Bridge Benefit District (RBBD) funds. Any additional funds will not be the responsibility of the CITY.
- C. Currently WRCOG has approved and obligated \$3,880,000 for the Newport Road PROJECT. The COUNTY has settled a claim with ICW bonding firm for the amount of \$6,300,000 to complete the road improvements associated with Goetz Road within the "Audie Murphy Ranch" Development of Brookfield Homes Company which filed for bankruptcy and did not complete the entire approved infrastructure work.
- D. The CITY has a contract with two engineering firms of K&A Engineering and RK engineering for the total sum of One Hundred Four Thousand (\$104,000) to prepare a bid package, including but not limited to plans, estimate and specifications for the PROJECT for which the CITY is requesting reimbursement from COUNTY.
- E. The City has incurred to date the sum of One Hundred Three Thousand Six Hundred Seventy Three Dollars and Fifty Six cents (\$103,673.56) for engineering services including the preparation of a bidding package for

the PROJECT.

- F. COUNTY and CITY desire to designate COUNTY to now be the lead agency for the design administration of bidding, awarding, construction survey and inspection (hereinafter "Project Development"), of PROJECT . COUNTY will therefor provide the administrative, technical, and managerial support services necessary to develop and complete the PROJECT.
- G. As Project lead, County has a funding agreement in place with WRCOG for TUMF funds of \$3,880,000 for some of these improvements and will reimburse CITY up to the sum of One Hundred Four Thousand Dollars (\$104,000.00) for engineering services including the preparation of a bidding package including but not limited to plans, estimate and specifications for the PROJECT.
- H. COUNTY and CITY desire to define herein the terms and conditions under which said PROJECT is to be administered, including review of the completed environmental clearance that was prepared by the developer (Brookfield Home Company), engineered, coordinated, managed, and financed.

#### **AGREEMENT**

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

#### **SECTION 1 • COUNTY AGREES:**

1. To fund one hundred percent (100%) of the City's incurred engineering cost for the PROJECT. The estimated cost of the PROJECT is provided in Exhibit "B" attached hereto and incorporated herein.
2. COUNTY will invoice WRCOG for TUMF funds. If any additional costs are necessary to complete these improvements that are not covered by the ICW settlement funds or previously obligated WRCOG funds, the County will work with WRCOG to secure additional funds or utilize Road and Bridge Benefit District (RBBD) funds. County will not look to city for funding.
3. To perform all right of way activities, with the exception of eminent domain activities.
4. To reimburse the CITY for any cost associated with the CITY's Project Development oversight for the PROJECT, including but not limited to meetings and PROJECT review and approvals.
5. To identify and locate all utility facilities within the PROJECT area. If any existing public and/or private utility facilities conflict with PROJECT construction, COUNTY shall make all necessary arrangements with the owners of such facilities for their protection, relocation, or removal. All utility facilities shall be identified on the PROJECT plans and specifications, and conflicting utilities shall be denoted. COUNTY shall require the utility

owner and/or its contractors performing the relocation work within CITY's right of way to obtain a CITY encroachment permit prior to the performance of said relocation work. All associated costs of the encroachment permit is included in the CITY's Project Development oversight, as shown in the attached Exhibit "B". COUNTY and CITY shall coordinate and cooperate in the effort to establish prior rights related to utility encroachments into each jurisdictions right-of-way. In the case that any utility companies are determined to have prior rights, the cost of relocating utilities shall borne by the CITY.

6. To pay within 45 days of receipt all invoices and substantiated documents submitted by CITY for services rendered in accordance with this agreement.
7. To administer the PROJECT.

**SECTION 2 • CITY AGREES:**

1. To submit to COUNTY a copy of all the CITY'S records associated with the rendered engineering services including but not limited to plans, estimates and specifications for the PROJECT.
2. To issue, at no cost to COUNTY or its contractors, upon proper application by COUNTY or COUNTY's contractor, an encroachment permit authorizing entry onto CITY's right of way to perform survey and other investigative activities required for the construction related activities of the Project Development.
3. To provide Project Development oversight for the PROJECT and to provide prompt reviews and approvals, as appropriate, of submittals by COUNTY, and to cooperate in timely processing of PROJECT.
4. Upon completion of the Project Development, CITY agrees to accept full responsibility for the maintenance of infrastructure within the CITY's jurisdiction at no cost to the COUNTY.
5. To submit to COUNTY a copy of all invoices and contracts, for CITY's incurred costs and Project Development oversight services in accordance with Exhibit "B".

**SECTION 3 • IT IS MUTUALLY AGREED AS FOLLOWS:**

1. The total cost of the **Project Development** is estimated to be \$10,046,000 as detailed in Exhibit "B".
2. If any of the identified funding mentioned in Exhibit "B" is unavailable at anytime during the term of this Agreement, COUNTY agrees to provide funding equal to the amount that has become unavailable.
3. COUNTY shall cause COUNTY's contractor to maintain in force, until completion and acceptance of the PROJECT construction contract, a policy of Contractual Liability Insurance, including coverage of Bodily Injury Liability and Property Damage Liability, in the amount of \$2,000,000 minimum single limit coverage, and a policy of Automobile Liability Insurance in the amount of \$1,000,000 minimum. Endorsements to each

policy shall be required which name the CITY, its officers, agents and employees as additionally insured. COUNTY shall also require COUNTY's contractor to maintain Worker's Compensation Insurance. COUNTY shall provide Certificates of Insurance and Additional Insured Endorsements which meet the requirements of this section to CITY prior to the start of construction.

4. COUNTY and CITY will mutually agree, at the start of each fiscal year, to a budget for that fiscal year. This will be documented in a Project Budget Form to be approved by City's authorized representative and the County Director of Transportation which will identify total project budget for the upcoming fiscal year, available revenues and funding sources, expected expenditures of County staff and contracts engaged in project delivery, and expected expenditures of City staff engaged in project delivery. The Project Budget Form will be amended as necessary throughout the year as required by project financial circumstances or as mutually agreed.
5. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by both parties and no oral understanding or agreement not incorporated herein shall be binding on either party hereto.
6. COUNTY and CITY shall retain or cause to be retained for audit for a period of three (3) years from the date of final payment, all records and accounts relating to PROJECT.
7. Neither COUNTY nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is further agreed that pursuant to Government Code Section 895.4, CITY shall fully indemnify and hold COUNTY harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY
8. Neither CITY nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement. It is further agreed that pursuant to Government Code Section 895.4, COUNTY shall fully indemnify and hold CITY harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement.

9. This agreement and the exhibits herein contain the entire agreement between the parties, and are intended by the parties to completely state the agreement in full. Any agreement or representation respecting the matters dealt with herein or the duties of any party in relation thereto, not expressly set forth in this agreement, is null and void.
10. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or affect the legal liability of either party to the Agreement by imposing any standard of care with respect to the maintenance of roads different from the standard of care imposed by law.
11. This agreement may be executed in one or more counterparts and when a counterpart shall have been signed by each party hereto, each shall be deemed an original, but all of which constitute one and the same instrument.
12. This Agreement shall terminate upon completion of the PROJECT or upon mutual agreements of the parties.

**APPROVALS**

**COUNTY Approvals**

APPROVED AS TO FORM:

MR Victor, Deputy Dated: 2/2/10  
**Marsha L. Victor**

PAMELA J. WALLS

County Counsel

APPROVAL BY THE BOARD OF SUPERVISORS

\_\_\_\_\_ Dated: \_\_\_\_\_

PRINTED NAME

Chairman, Riverside County Board of Supervisors

ATTEST:

\_\_\_\_\_ Dated: \_\_\_\_\_

KECIA HARPER-IHEM

Clerk of the Board (SEAL)

**CITY OF CANYON LAKE Approvals**

APPROVED BY:

Lori Moss Dated: 1/6/10

Lori Moss

City Manager

APPROVED AS TO FORM:

Elizabeth Martyn Dated: 2/1/10

Elizabeth Martyn

PRINTED NAME

City Attorney

ATTEST:

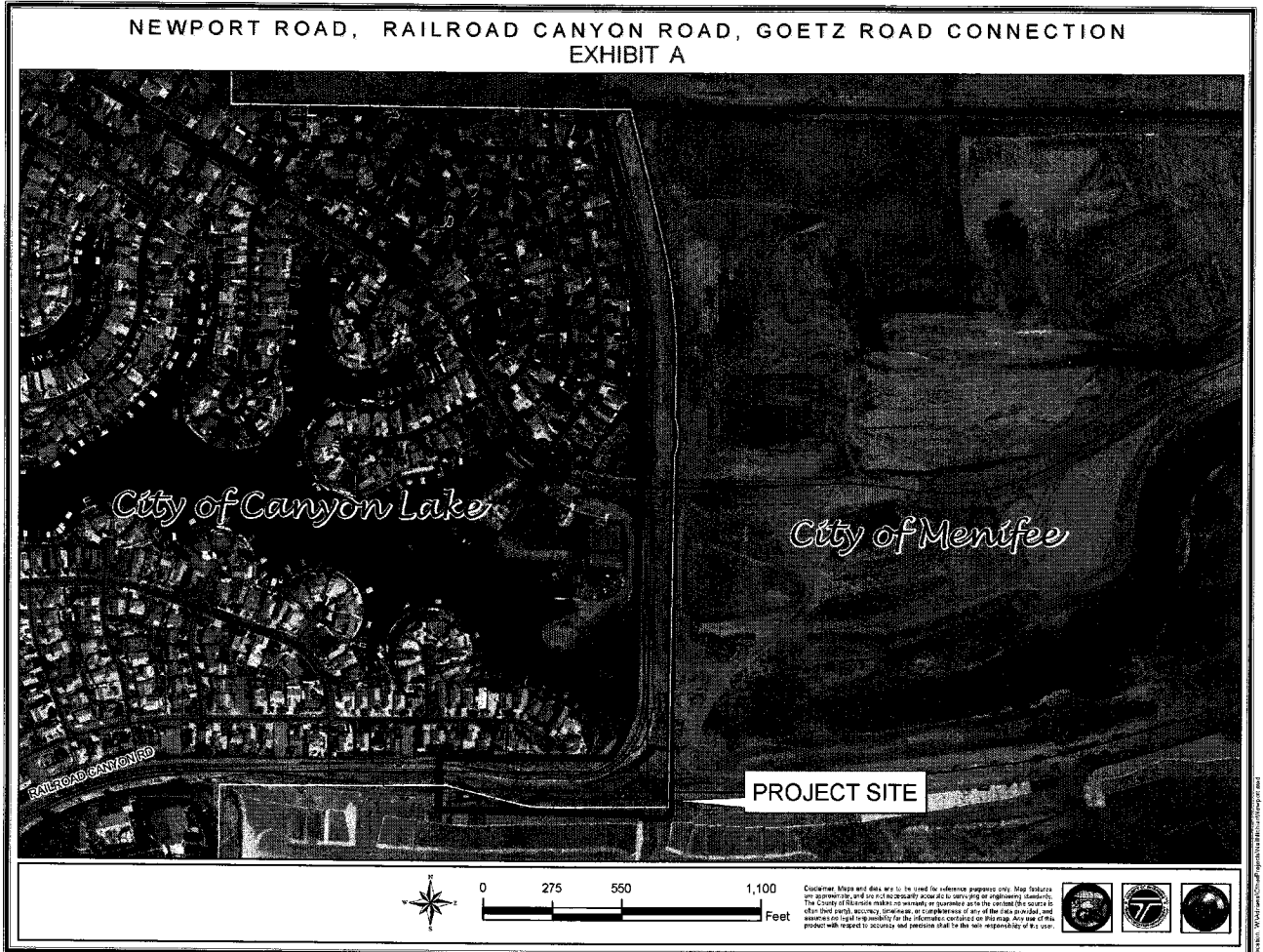
Sarah Manwaring Dated: 2/1/10  
Sarah Manwaring

PRINTED NAME

City Clerk



# EXHIBIT A • LOCATION MAP



**EXHIBIT B  
PROJECT BUDGET**

**TOTAL PROJECT COST ESTIMATE (November 2009)\*  
COST x \$1000**

<b>TASK</b>	<b>WRCOG (TUMF)</b>	<b>CITY</b>	<b>COUNTY</b>	<b>TOTAL</b>
Design	\$104	\$0	\$0	\$104
Utilities	\$36	\$0	\$0	\$36
Construction Survey		\$0	\$220	\$220
Construction Inspection		\$0	\$800	\$800
Construction	\$3,400	\$0	\$4,678	\$8,078
10% Contingencies	\$340	\$0	\$468	\$808
CITY's Oversight			\$14	\$14
<b>TOTALS</b>	<b>\$3,880</b>	<b>\$0</b>	<b>\$6,180</b>	<b>\$10,060</b>

\*Estimated Costs include Consultant's fee and the County's Administration Costs including inspections and others.