

**SUBMITTAL TO THE FLOOD CONTROL AND
WATER CONSERVATION DISTRICT BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



813B

FROM: General Manager-Chief Engineer

SUBMITTAL DATE:
January 27, 2015

SUBJECT: Adopt Resolution No. F2015-08, Considering the Adopted Mitigated Negative Declaration pursuant to the California Environmental Quality Act as a Responsible Agency, Adopting a Mitigation Monitoring Program, and Approving the Funding Agreement for the Arlington Desalter Facility Expansion Project; District 1, [\$1,000,000 total]; District Funds 100%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the environmental effects of executing the Funding Agreement (Agreement) will not have a significant impact on the environment. Any potential significant effects of the Arlington Desalter Facility Expansion Project (Project) have been adequately analyzed and addressed in a Mitigated Negative Declaration (MND) (SCH#2010091090) adopted in February 2012 and Addendum No. 1 to the Adopted MND in March 2014 by the Western Municipal Water District (WMWD), as lead agency for California Environmental Quality Act (CEQA);
2. Adopt Resolution No. F2015-08, Considering the Adopted Mitigated Negative Declaration pursuant to the California Environmental Quality Act as a Responsible Agency, Adopting a Mitigation Monitoring Program, and Approving the Funding Agreement for the Arlington Desalter Facility Expansion Project;

Continued on Page 2.

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WARREN D. WILLIAMS
General Manager-Chief Engineer

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 500,000	\$ 500,000	\$ 1,000,000	\$ N/A	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
NET DISTRICT COST	\$ 500,000	\$ 500,000	\$ 1,000,000	\$ N/A	
SOURCE OF FUNDS: 25120 947420 536200 Zone 2 Contribution to Non-County Agency				Budget Adjustment: No	
				For Fiscal Year: 14/15 & 15/16	

C.E.O. RECOMMENDATION:

APPROVE

BY:
Steven C. Horn

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FISCAL PROCEDURES APPROVED
JEANINE J. REY, FINANCE DIRECTOR
BY: 1/14/15
JEANINE J. REY, FINANCE DIRECTOR

FORM APPROVED COUNTY COUNSEL
BY: 1/12/15
GREGORY P. PRIAMOS, COUNTY COUNSEL

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.:

District: 1st

Agenda Number:

11-3

**SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FORM 11: Adopt Resolution No. F2015-08, Considering the Adopted Mitigated Negative Declaration pursuant to the California Environmental Quality Act as a Responsible Agency, Adopting a Mitigation Monitoring Program, and Approving the Funding Agreement for the Arlington Desalter Facility Expansion Project; District 1, [\$1,000,000 total]; District Funds 100%

DATE: January 27, 2015

PAGE: Page 2 of 3

RECOMMENDED MOTION: (continued)

3. Approve the Agreement between the District and the WMWD;
4. Authorize the Chairman to execute the Agreement documents on behalf of the District;
5. Authorize the General Manager-Chief Engineer to terminate the Agreement, as appropriate and necessary; and
6. Direct the Clerk of the Board to file the Notice of Determination with the County Clerk within five (5) days of the approval of the Agreement.

BACKGROUND:

Summary

This Agreement sets forth the terms and conditions by which the District will contribute funding to WMWD for construction of the Arlington Desalter Facility Expansion Project.

WMWD's proposed Project will enhance opportunity for stormwater harvesting, groundwater recharge operations and water quality improvements in the Arlington Basin. The estimated cost for the construction of Project is ten million dollars (\$10,000,000). WMWD has received an Integrated Regional Water Management Grant Program Award in the amount of approximately one million dollars (\$1,000,000) for the construction of Project. Portions of the Project will be located within District's existing rights-of-way. District will benefit from the Project through its enhanced opportunity for groundwater recharge operations, stormwater harvesting and water quality improvements. The District will contribute up to one million dollars (\$1,000,000) to WMWD for the actual construction cost of Project.

Upon completion of construction, WMWD will accept sole responsibility for the ownership, operation and maintenance of the Project.

Pursuant to the California Environmental Quality Act (CEQA), WMWD is the appropriate Lead Agency and certified a Mitigated Negative Declaration (MND) (SCH#2010091090) in February 2012 and an Addendum No. 1 to the Adopted MND in March 2014 for the Project. The District has limited approval and implementing authority and serves only as a Responsible Agency for the Project pursuant to CEQA. District Staff have reviewed the Agreement and it was determined that no further CEQA action is required because all potentially significant environmental effects have been fully analyzed by WMWD. District Staff recommends the adoption of Resolution No. F2015-08 to make the requisite Responsible Agency CEQA findings for the limited approval of the Agreement.

County Counsel has approved the Agreement as to legal form and WMWD has executed the Agreement.

Impact on Residents and Businesses

District's financial contribution toward WMWD's actual construction cost of Project is funded by ad-valorem property tax revenue and entails no new fees, taxes or bonded indebtedness to residents and businesses. Upon construction completion, the Project will enhance opportunity for stormwater harvesting, groundwater recharge operations and water quality improvements in the Arlington Basin area and will benefit residents and businesses in the area.

**SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT
BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FORM 11: Adopt Resolution No. F2015-08, Considering the Adopted Mitigated Negative Declaration pursuant to the California Environmental Quality Act as a Responsible Agency, Adopting a Mitigation Monitoring Program, and Approving the Funding Agreement for the Arlington Desalter Facility Expansion Project; District 1, [\$1,000,000 total]; District Funds 100%

DATE: January 27, 2015

PAGE: Page 3 of 3

SUPPLEMENTAL:

Additional Fiscal Information

This project was requested by the City of Norco as part of the Zone 2 Budget Hearings. Project funding was reviewed and approved by the Zone 2 Commissioners. Sufficient amounts will be included in District's Zone 2 budget for Fiscal Year 2014-2015 and will be included in the future proposed budget(s) as appropriate and necessary.

ATTACHMENT:

Notice of Determination

AMR:TMR:mcv
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BOARD OF SUPERVISORS

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT

RESOLUTION NO. F2015-08

**A RESOLUTION CONSIDERING THE ADOPTED MITIGATED NEGATIVE
DECLARATION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY
ACT AS A RESPONSIBLE AGENCY, ADOPTING A MITIGATION MONITORING
PROGRAM, AND APPROVING THE FUNDING AGREEMENT FOR THE
ARLINGTON DESALTER FACILITY EXPANSION PROJECT**

WHEREAS, the Riverside County Flood Control and Water Conservation District ("District") desires to enter into a Funding Agreement ("Agreement") to formalize the terms and conditions by which the Western Municipal Water District ("WMWD") will be allowed to design and construct its proposed Arlington Desalter facility expansion project ("Project"); and

WHEREAS, WMWD owns, operates and maintains the Arlington Desalter facility. WMWD is working on improving water supply reliability by developing local water supplies, including expansion of the Arlington Desalter facility. Based on the results of the expansion investigation, feasibility study of using artificial recharge in the Arlington Groundwater Basin, and hydrogeological investigation for potential recharge sites, WMWD has determined that the expansion of the Arlington Desalter facility is a viable option; and

WHEREAS, WMWD'S proposed Project, consists of the construction of (i) up to three (3) recharge basins with a monitoring well at each location, (ii) an extraction well, and (iii) a raw water pipeline connecting the extraction well with the Arlington Desalter facility; and

WHEREAS, upon construction, the Project will (i) percolate currently unused or underutilized local water resources, including stormwater and dry-weather flows, for recharge to the Arlington Groundwater Basin, and (ii) improve water quality by reducing outflow from rising groundwater in the Arlington Groundwater Basin that currently impacts the Santa Ana River; and

WHEREAS, WMWD plans to design, construct, operate and maintain the Project. WMWD desires that the District contribute funding for the construction of the Project. The Engineer's estimated amount for the construction of the entire Project is ten million dollars

FORM APPROVED COUNTY COUNSEL
BY: AG 1-5-15 DATE
AARON C. GETTIS

1 (\$10,000,000) ("Construction Costs"); and

2 WHEREAS, WMWD has received an Integrated Regional Water Management Grant
3 Program award in the amount of approximately one million dollars (\$1,000,000) for the
4 construction of the Project; and

5 WHEREAS, DISTRICT owns, operates and maintains the Arlington Channel
6 ("Channel"). The Project may impact the District's existing Channel and/or its right-of-way
7 and the District's proposed Southwest Riverside Master Drainage Plan (MDP) Line H.
8 Therefore, the District must review and approve WMWD'S plans and specifications for the
9 Project and subsequently inspect the construction of the Project; and

10 WHEREAS, the District will benefit from the Project through its enhanced opportunity
11 for stormwater harvesting, groundwater recharge operations and water quality improvements in
12 the Arlington Basin; and

13 WHEREAS, the District wishes to support WMWD'S efforts to construct the Project by
14 providing a financial contribution up to one million dollars (\$1,000,000) toward the
15 Construction Costs; and

16 WHEREAS, the District is willing to make a financial contribution to WMWD
17 ("District Contribution"), based on a 50-50 cost share formula on WMWD'S share of the
18 Construction Costs provided that the District Contribution shall not exceed one million dollars
19 (\$1,000,000); and

20 WHEREAS, the purpose of this Agreement is to memorialize the mutual
21 understandings by and between the District and WMWD with respect to funding, design,
22 construction, inspection, ownership, operation, and maintenance of the Project; and

23 WHEREAS, the Project is located within the Plan Area of the Western Riverside
24 Multiple Species Habitat Conservation Plan (WRMSHCP) and is subject to the requirements of
25 the WRMSHCP; and

26 WHEREAS, pursuant to the California Environmental Quality Act (CEQA), WMWD
27 has assumed the role of Lead Agency and, with input from the District, has adopted a Mitigated
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1 Negative Declaration (MND) with mitigation measures on February 15, 2012 for the Project
2 (State Clearinghouse No. 2010091090); and

3 WHEREAS, WMWD prepared Addendum No. 1 to MND (Addendum No. 1) in March
4 2014 to add two additional potential recharge basin sites for implementation as part of the
5 approved Project; and

6 WHEREAS, WMWD filed a Notice of Determination for the Project on February 17,
7 2012; and

8 WHEREAS, the District's involvement with the Project is limited to providing the
9 District Contribution and has limited approval and implementing authority over the Project and,
10 therefore, pursuant to Section 15096 of the State CEQA Guidelines serves only as a
11 Responsible Agency for this portion of the Project; and

12 WHEREAS, pursuant to Section 15096 of the State CEQA Guidelines, the District,
13 acting as a Responsible Agency, considered the environmental effects of the entire Project as
14 evaluated in the prior MND and Addendum No. 1, and determined MND and Addendum No. 1
15 to be adequate as adopted by WMWD; and

16 WHEREAS, all other legal prerequisites to the adoption of this Resolution have
17 occurred.

18 NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the
19 Board of Supervisors of the Riverside County Flood Control and Water Conservation District
20 assembled in regular session on **January 27, 2015**, in the meeting room of the Board of
21 Supervisors located on the 1st floor of the County Administrative Center, 4080 Lemon Street,
22 Riverside, California, based upon the evidence and testimony presented on the matter, both
23 written and oral, including MND and Addendum No. 1 as it relates to the Project, that:

24 SECTION 1. CEQA Actions.

25 (a). Consideration of the Prior MND and Addendum No. 1 Regarding CEQA
26 Compliance.

27 In the District's limited role as a Responsible Agency under CEQA, the District
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1 has received, independently reviewed, and considered the information contained in
 2 MND and Addendum No. 1 for the Project, any comment letters, and other related
 3 documents. The Project is within the scope of MND and Addendum No. 1 and the
 4 environmental effects of the Project have been adequately addressed in MND and
 5 Addendum No. 1. Based on this review and the Board's independent judgment, the
 6 Board finds that, as to those potential environmental impacts within the District powers
 7 and authorities as Responsible Agency, that MND and Addendum No. 1 for the Project
 8 contains a complete, objective, and accurate reporting of those potential impacts as they
 9 relate to the Project under the authority of the District as the Responsible Agency. The
 10 Board finds that the mitigation measures imposed by the Lead Agency are sufficient to
 11 reduce all potentially significant impacts to a level of less than significant. This
 12 determination reflects the independent judgment and analysis of the District and Board.

13 (b). Adoption of Mitigation Monitoring and Reporting Program.

14 While WMWD will construct the entire Project, the District remains a
 15 Responsible Agency and is providing the District Contribution, not to exceed one million
 16 dollars (\$1,000,000), to the overall Construction Costs for the Project. Therefore, the
 17 Board hereby approves and adopts the Mitigation Monitoring and Reporting Program as
 18 it relates to the Project which was prepared for the Project and approved by the Lead
 19 Agency.

20 SECTION 2. Approval of the Agreement

21 NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED the
 22 Board hereby approves the Agreement between the District and WMWD and the General
 23 Manager-Chief Engineer of the District is authorized to execute the same on behalf of the
 24 District. Further, the Board approves the Project as required under Section 15096 of the State
 25 CEQA Guidelines, as it relates to the District Contribution and in its limited role as a
 26 Responsible Agency.

1 SECTION 3. Notice of Determination

2 BE IT FURTHER RESOLVED, DETERMINED AND ORDERED that the Board
3 hereby directs staff to file a Notice of Determination with the Riverside County Clerk within
4 five (5) working days of the approval of the Agreement.

5 SECTION 4. Custodian of Records

6 BE IT FURTHER RESOLVED, DETERMINED AND ORDERED that the documents
7 and materials that constitute the record of proceedings on which these findings are based are
8 located at the offices of the Clerk of the Board of Supervisors for the District at 4080 Lemon
9 St., 1st Floor, Riverside, CA 92501 and the District Office, 1995 Market Street, Riverside, CA
10 92501.

11 SECTION 5. Execution of Resolution

12 BE IT FURTHER RESOLVED, DETERMINED AND ORDERED that the Clerk of the
13 Board shall sign this Resolution to attest and certify to the passage and adoption thereof.

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RIVERSIDE COUNTY CLERK-RECORDER

AUTHORIZATION TO BILL

TO BE FILLED OUT BY SUBMITTING AGENCY

DATE: 12/4/2014 BUSINESS UNIT/AGENCY: FLOOD CONTROL - FCARC

ACCOUNTING STRING:


ACCOUNT: 526410 FUND: 25110
DEPT ID: 947400 PROGRAM: _____

AMOUNT: \$50.00

REF: FINAL CEQA POSTING FOR ARLINGTON DESALTER EXPANSION PHASE 2 PROJECT
221-1-6-00900-00-00-0000-000

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO ISSUE AN INVOICE FOR PAYMENT OF ALL DOCUMENTS INCLUDED.

NUMBER OF DOCUMENTS INCLUDED: 1

AUTHORIZED BY: DARRYLENN PRUDHOLME-BROCKINGTON 
PRESENTED BY: KRIS FLANIGAN EXT 58581
CONTACT: DARRYLENN PRUDHOLME-BROCKINGTON EXT 58357

TO BE FILLED OUT BY COUNTY CLERK

ACCEPTED BY: _____

DATE: _____

DOCUMENT NO(S)/INVOICE NO(S): _____

Notice of Determination

To: Office of Planning and Research

For U.S. Mail:
P.O. Box 3044
Sacramento, CA 95812-3044

County Clerk
County of Riverside
2724 Gateway Drive
Riverside, CA 92507

Street Address:
1400 Tenth Street
Sacramento, CA 95814

From: Riverside County Flood Control
1995 Market Street
Riverside, CA 92501
Contact: Kris Flanigan
Phone: 951.955.8581

Lead Agency (if different from above):
Western Municipal Water District
14205 Meridian Parkway
Riverside, CA 92518

SUBJECT:

Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2010091090

**Project Title: Funding Agreement for Western Municipal Water District's Arlington Basin
Water Quality Improvement Project**

Project Location (include county)

The proposed Project area is located in the city of Riverside, County of Riverside, south of Arlington Avenue, west of Adams Street, north of Cleveland Avenue and east of Buchanan Avenue. The Project area can be found within Sections 5, 6, 7, 8, 9, 16, 17, 18, 19, 20 and 21 of Township 3 South, Range 5 West, and Sections 22, 23 and 24 of Township 3 South, Range 6 West on the USGS Riverside West, 7.5 Series Topographic Quadrangle maps.

Project Description

The Funding Agreement is for the Western Municipal Water District (WMWD) Project consisting of the construction of three (3) recharge basins with a monitoring well at each location, an extraction well and a raw water pipeline connecting the extraction well with the Arlington Desalter. The Project will facilitate recharge of currently unused or underutilized local water resources including stormwater and dry-weather flows. The proposed extraction well located in the eastern portion of the Arlington Groundwater Basin will capture recharge water and will prevent groundwater spill from the Arlington Basin to Hole Lake. The originally proposed recharge basin locations were identified in the certified Mitigated Negative Declaration (MND) from WMWD, acting as the lead agency for the Project. Addendum No. 1 replaced the originally proposed Metrolink and Magnolia sites with two new locations known as the Indiana and Gibson sites. The Riverside County Flood Control and Water Conservation District will benefit from the Project through its enhanced opportunity for groundwater recharge operations, stormwater harvesting and water quality improvements; therefore, the District will contribute supplemental funds to WMWD for the construction of the Project.

This is to advise that the Riverside County Flood Control and Water Conservation District, as a Responsible Agency, pursuant to State CEQA Guidelines Section 15096, considered the prior MND and Addendum No. 1 that were certified by WMWD and approved, in its capacity as a Responsible Agency, the above described Project on January 27, 2015 and has made the following determinations regarding the above described Project:

1. The Project will not have a significant effect on the environment.
2. A Mitigated Negative Declaration and an Addendum were prepared for this Project pursuant to the provisions of CEQA.
3. Mitigation measures were made a condition of approval of the Project.
4. A Mitigation Monitoring Program was adopted for this Project.

This is to certify that the Mitigated Negative Declaration and Addendum are available to the General Public at: The Riverside County Flood Control and Water Conservation District, 1995 Market Street, Riverside, CA 92501.

Signature (Public Agency)

Title

Date

Date received for filing at OPR:

Revised 2004

Authority cited: Sections 21083 and 21087, Public Resources Code.
Reference: Sections 21000-21174, Public Resources Code.

Notice of Determination

To: Office of Planning and Research

From: Riverside County Flood Control
1995 Market Street
Riverside, CA 92501
Contact: Kris Flanigan
Phone: 951.955.8581

For U.S. Mail:
P.O. Box 3044
Sacramento, CA 95812-3044

Street Address:
1400 Tenth Street
Sacramento, CA 95814

County Clerk
County of Riverside
2724 Gateway Drive
Riverside, CA 92507

Lead Agency (if different from above):
Western Municipal Water District
14205 Meridian Parkway
Riverside, CA 92518

SUBJECT:

Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2010091090

Project Title: Funding Agreement for Western Municipal Water District's Arlington Basin Water Quality Improvement Project

Project Location (include county)

The proposed Project area is located in the city of Riverside, County of Riverside, south of Arlington Avenue, west of Adams Street, north of Cleveland Avenue and east of Buchanan Avenue. The Project area can be found within Sections 5, 6, 7, 8, 9, 16, 17, 18, 19, 20 and 21 of Township 3 South, Range 5 West, and Sections 22, 23 and 24 of Township 3 South, Range 6 West on the USGS Riverside West, 7.5 Series Topographic Quadrangle maps.

Project Description

The Funding Agreement is for the Western Municipal Water District (WMWD) Project consisting of the construction of three (3) recharge basins with a monitoring well at each location, an extraction well and a raw water pipeline connecting the extraction well with the Arlington Desalter. The Project will facilitate recharge of currently unused or underutilized local water resources including stormwater and dry-weather flows. The proposed extraction well located in the eastern portion of the Arlington Groundwater Basin will capture recharge water and will prevent groundwater spill from the Arlington Basin to Hole Lake. The originally proposed recharge basin locations were identified in the certified Mitigated Negative Declaration (MND) from WMWD, acting as the lead agency for the Project. Addendum No. 1 replaced the originally proposed Metrolink and Magnolia sites with two new locations known as the Indiana and Gibson sites. The Riverside County Flood Control and Water Conservation District will benefit from the Project through its enhanced opportunity for groundwater recharge operations, stormwater harvesting and water quality improvements; therefore, the District will contribute supplemental funds to WMWD for the construction of the Project.

This is to advise that the Riverside County Flood Control and Water Conservation District, as a Responsible Agency, pursuant to State CEQA Guidelines Section 15096, considered the prior MND and Addendum No. 1 that were certified by WMWD and approved, in its capacity as a Responsible Agency, the above described Project on January 27, 2015 and has made the following determinations regarding the above described Project:

1. The Project will not have a significant effect on the environment.
2. A Mitigated Negative Declaration and an Addendum were prepared for this Project pursuant to the provisions of CEQA.
3. Mitigation measures were made a condition of approval of the Project.
4. A Mitigation Monitoring Program was adopted for this Project.

This is to certify that the Mitigated Negative Declaration and Addendum are available to the General Public at: The Riverside County Flood Control and Water Conservation District, 1995 Market Street, Riverside, CA 92501.

Signature (Public Agency)

Title

Date

Date received for filing at OPR:

Revised 2004

Authority cited: Sections 21083 and 21087, Public Resources Code.
Reference: Sections 21000-21174, Public Resources Code.

FUNDING AGREEMENT
Arlington Desalter Facility Expansion Project

The Riverside County Flood Control and Water Conservation District, hereinafter called "DISTRICT", and the Western Municipal Water District, hereinafter called "WMWD", hereby agree as follows:

RECITALS

A. WMWD owns, operates and maintains the Arlington Desalter facility. WMWD is working on improving water supply reliability by developing local water supplies, including expansion of the Arlington Desalter facility. Based on the results of the expansion investigation, feasibility study of using artificial recharge in the Arlington Groundwater Basin, and hydrogeological investigation for potential recharge sites, WMWD has determined that the expansion of the Arlington Desalter facility is a viable option; and

B. WMWD'S proposed Arlington Desalter facility expansion project, hereinafter called "PROJECT", consists of the construction of (i) up to three (3) recharge basins with a monitoring well at each location, (ii) an extraction well, and (iii) a raw water pipeline connecting the extraction well with the Arlington Desalter facility as shown in concept on Exhibit "A" attached hereto and made a part hereof; and

C. Upon construction completion, PROJECT will (i) percolate currently unused or underutilized local water resources, including stormwater and dry-weather flows, for recharge to the Arlington Groundwater Basin, and (ii) improve water quality by reducing outflow from rising groundwater in the Arlington Groundwater Basin that currently impacts the Santa Ana River; and

D. WMWD plans to design, construct, operate and maintain PROJECT. WMWD desires that DISTRICT contribute funding for the construction of PROJECT. The Engineer's estimated amount for the construction of PROJECT is ten million dollars (\$10,000,000). WMWD has received an Integrated Regional Water Management Grant

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Program award in the amount of approximately one million dollars (\$1,000,000) for the construction of PROJECT, hereinafter called "GRANT FUND"; and

E. DISTRICT owns, operates and maintains the Arlington Channel, hereinafter called "CHANNEL". PROJECT may impact DISTRICT'S existing CHANNEL and/or its right-of-way and DISTRICT's proposed Southwest Riverside Master Drainage Plan (MDP) Line H. Therefore, DISTRICT must review and approve WMWD'S plans and specifications for PROJECT and subsequently inspect the construction of PROJECT; and

F. DISTRICT will benefit from PROJECT through its enhanced opportunity for stormwater harvesting, groundwater recharge operations and water quality improvements in the Arlington Groundwater Basin; and

G. DISTRICT wishes to support WMWD'S efforts to construct PROJECT by providing a financial contribution up to one million dollars (\$1,000,000) toward WMWD'S actual PROJECT construction costs as set forth herein; and

H. The lowest responsive and responsible bid contract amount for the construction of PROJECT is hereinafter called "ORIGINAL BID". The amount based on the difference between ORIGINAL BID and GRANT FUND is hereinafter called "CONSTRUCTION COST"; and

I. DISTRICT is willing to make a financial contribution to WMWD, hereinafter called "DISTRICT CONTRIBUTION", based on a 50-50 cost share formula on WMWD'S share of CONSTRUCTION COST provided that DISTRICT CONTRIBUTION shall not exceed one million dollars (\$1,000,000); and

J. The purpose of this Agreement is to memorialize the mutual understandings by and between DISTRICT and WMWD with respect to funding, design, construction, inspection, ownership, operation and maintenance of PROJECT.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties hereto mutually agree as follows:

1 6. Obtain an encroachment permit from DISTRICT pursuant to its rules and
2 regulations prior to commencing construction of any portion of PROJECT within DISTRICT'S
3 rights of way.

4 7. Advertise, award and administer a public works construction contract for
5 PROJECT.

6 8. Provide DISTRICT (Attention: Chief of Watershed Protection Division)
7 with written notice that WMWD has awarded a construction contract for PROJECT. The
8 written notice shall include the Contractor's actual bid amount for PROJECT, setting forth
9 herein the ORIGINAL BID amount.

10 9. Invoice DISTRICT (Attention: Chief of Watershed Protection Division)
11 for fifty percent (50%) of CONSTRUCTION COST at the time of providing written notice of
12 the award of a construction contract as set forth in Section I.8.

13 10. Keep an accurate accounting of all actual construction costs for the
14 DISTRICT and WMWD approved IMPROVEMENT PLANS. WMWD shall provide
15 DISTRICT with a final accounting of PROJECT construction costs when invoicing DISTRICT
16 for the final payment of DISTRICT CONTRIBUTION. The final accounting of construction
17 costs shall include a detailed breakdown of all costs, including but not limited to payment
18 vouchers, and all financial contribution from other sources, including but not limited to
19 GRANT FUND, to establish the DISTRICT'S share of CONSTRUCTION COST.

20 11. Construct or cause to be constructed, PROJECT pursuant to a WMWD
21 administered public works construction contract, in accordance with DISTRICT and WMWD
22 approved IMPROVEMENT PLANS.

23 12. Inspect PROJECT construction or cause PROJECT'S construction to be
24 inspected by its construction manager.

25 13. Upon completion of PROJECT construction, assume ownership and sole
26 responsibility for the operation and maintenance of PROJECT.
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14. Upon completion of PROJECT construction and settlement of any outstanding claims, provide DISTRICT with a copy of the WMWD'S recorded Notice of Completion.

15. If DISTRICT'S share of CONSTRUCTION COST as established in Section I.9 is less than one million dollars (\$1,000,000), invoice DISTRICT (Attention: Chief of Watershed Protection Division) for remainder payment of DISTRICT CONTRIBUTION. The invoice shall include a final accounting of construction costs and its associated supporting documents as set forth in Section I.10.

SECTION II

DISTRICT shall:

- 1. Act as a Responsible Agency under CEQA, taking all necessary and appropriate action to comply with CEQA.
- 2. Review and approve, as appropriate, IMPROVEMENT PLANS prior to WMWD'S advertising PROJECT for construction bids.
- 3. Pay WMWD, within thirty (30) days after receipt of WMWD'S appropriate invoice, for fifty percent (50%) of CONSTRUCTION COST as set forth in Section I.9., provided that DISTRICT CONTRIBUTION shall not exceed one million dollars (\$1,000,000).
- 4. Pay WMWD, within thirty (30) days after receipt of WMWD'S appropriate invoice, for remainder payment of DISTRICT CONTRIBUTION as set forth in Section I.15., provided, however, that DISTRICT CONTRIBUTION shall not exceed a total sum of one million dollars (\$1,000,000).

SECTION III

It is further mutually agreed:

- 1. DISTRICT CONTRIBUTION shall not exceed a total sum of one million dollars (\$1,000,000) and shall be used by WMWD solely for the purpose of constructing PROJECT as set forth herein.

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2. Except as otherwise provided herein, all construction work involved with PROJECT shall be inspected by WMWD, or its construction manager, but shall not be deemed complete until DISTRICT and WMWD mutually agree that construction is completed in accordance with DISTRICT and WMWD approved IMPROVEMENT PLANS.

3. Under the provisions of this Agreement, DISTRICT shall bear no responsibility whatsoever for the design, construction, ownership, operation or maintenance of PROJECT.

4. WMWD shall indemnify, defend, save and hold harmless DISTRICT and County of Riverside (including their respective officers, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents, representatives, independent contractors, and subcontractors) from any liabilities, claim, damage, proceeding or action, present or future, based upon, arising out of or in any way relating to WMWD'S (including its officers, employees, agents, representatives, independent contractors, and subcontractors) actual or alleged acts or omissions related to this Agreement, performance under this Agreement, or failure to comply with the requirements of this Agreement, including but not limited to: (a) property damage; (b) bodily injury or death (c) payment of attorney's fees; or (d) any other element of any kind or nature whatsoever.

5. Any waiver by DISTRICT or by WMWD of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of DISTRICT or WMWD to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping DISTRICT or WMWD from enforcement hereof.

6. This Agreement is to be construed in accordance with the laws of the State of California.

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7. Any and all notices sent or required to be sent to the parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses:

RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT 1995 Market Street Riverside, CA 92501 Attn: Chief of Watershed Protection Division	WESTERN MUNICIPAL WATER DISTRICT 14205 Meridian Parkway Riverside, CA 92518 Attn: Fakhri Manghi Senior Engineer
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8. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

9. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT prepared this Agreement in its final form.

10. This Agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right or action based upon the provisions of this Agreement.

11. Any action at law or in equity brought by any of the parties hereto for the purpose of enforcing a right or rights provided for by the Agreement, shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.

12. In the event of any arbitration, action or suit brought by either WMWD or DISTRICT against the other party by reason of any breach on the part of the other party of any of the covenants and agreements set forth in this Agreement, or any other dispute between DISTRICT and WMWD concerning this Agreement, the prevailing party in any such action or dispute, by a final judgment or arbitration award, shall be entitled to have and recover from the

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other party all costs and expenses or claims, including but not limited to, attorney's fees and expert witness fees. This section shall survive any termination of this Agreement.

13. Time is of the essence in prosecuting the work contemplated under this Agreement. At any time during the term of this Agreement, DISTRICT may terminate this Agreement for cause, including but not limited to WMWD'S failure to prosecute the work in a timely manner, upon providing WMWD with a thirty (30) days written notice stating the extent and effective date of termination.

14. The obligation(s) of DISTRICT are limited by and contingent upon the availability of DISTRICT funds for DISTRICT'S financial contribution towards PROJECT as set forth herein. In the event that such funds are not forthcoming for any reason, DISTRICT shall immediately notify WMWD in writing. This Agreement shall be deemed terminated and have no further force and effect immediately on receipt of DISTRICT'S notification to WMWD.

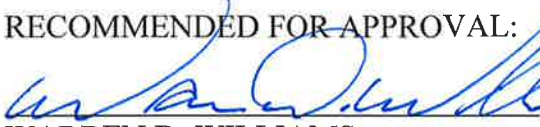
15. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral and written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the parties hereto.

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1 IN WITNESS HEREOF, the parties hereto have executed this Agreement on

2 _____
3 (to be filled in by Clerk of the Board)

4 RECOMMENDED FOR APPROVAL: **RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**


5  By _____
6 WARREN D. WILLIAMS MARION ASHLEY, Chairman
7 General Manager-Chief Engineer Riverside County Flood Control and Water
Conservation District Board of Supervisors

8 APPROVED AS TO FORM:

ATTEST:

9 GREGORY P. PRIAMOS
10 County Counsel

KECIA HARPER-IHEM
Clerk of the Board

11 By  _____
12 NEAL KIPNIS
13 Deputy County Counsel

By _____
Deputy

(SEAL)

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24 Funding Agreement: Western Municipal Water District -
25 Arlington Desalter Facility Expansion Project
26 12/23/14
27 AMR:blm
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**WESTERN MUNICIPAL WATER
DISTRICT**

By 

JOHN V. ROSSI
General Manager

Funding Agreement: Western Municipal Water District -
Arlington Desalter Facility Expansion Project
12/23/14
AMR:blm

Exhibit A

