ROVED COUNTY COUNSEI PRIAMOS Departmental Concurrence

SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD OF SUPERVISORS 6148 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: General Manager-Chief Engineer

SUBMITTAL DATE:

January 6, 2015

SUBJECT: Approve Cooperative Agreement for Perris Valley Master Drainage Plan- Line E, Stage 2 and Lateral E-4, Stage 1 (Parcel Map No. 36010), Project Nos. 4-0-00488 and 4-0-00460;

District 5

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Cooperative Agreement between the District, the City of Perris (City) and O.R.E. Industrial, LLC (Developer); and

2. Authorize the Chairman to execute the Agreement documents on behalf of the District.

BACKGROUND:

Summary

The Cooperative Agreement (Agreement) sets forth the terms and conditions by which certain flood control facilities, required as a condition of approval for Parcel Map No. 36010, are to be constructed by Developer and inspected, operated and maintained by the District, City and Developer.

AMR:blm P8/164895 WARREN D. WILLIAMS

For Fiscal Year:

General Manager-Chief Engineer

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:		Total Cost:	Oı	ngoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ N	I/A	\$ N/A	\$	N/A	Consent C. Delieu C.
NET DISTRICT COST	\$ N/A	\$ N	I/A	\$ N/A	\$	N/A	Consent Policy
SOURCE OF FUNI	DS:					Budget Adjustn	nent: No

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

MINUTES OF THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT

On motion of Supervisor Benoit, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:

Jeffries, Tavaglione, Benoit and Ashley

Nays:

None

Absent:

None

Date:

January 6, 2015

XC:

Flood

A-30

Prev. Agn. Ref.:

District: 5th

Agenda Number:

Kecia Harper-Ihem

N/A

Positions Added Change Order

4/5 Vote

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

FORM 11: Approve Cooperative Agreement for Perris Valley Master Drainage Plan- Line E, Stage 2 and Lateral E-4, Stage 1 (Parcel Map No. 36010), Project Nos. 4-0-00488 and 4-0-00460;

District 5 [\$0

DATE: January 6, 2015

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

The Agreement is necessary to formalize the transfer of necessary rights of way and to provide for District construction inspection, and subsequent operation and maintenance of the referenced drainage facilities. Upon completion of the drainage facilities' construction, the City will assume ownership, operation and maintenance of the mainline storm drains until such time as District assumes ownership, operation and maintenance in accordance the terms and conditions as set forth in the Cooperative Agreement. The City will also assume ownership, operation and maintenance of a 42-inch storm drain facility, an interim emergency spillway, an offsite low flow channel, and certain reinforced concrete box, catch basins, connector pipes, and laterals that are 36 inches or less in diameter located within City rights of way. Developer will assume ownership, operation and maintenance of a lift station, certain underground storm drain system and low flow channel located within privately held rights of way.

County Counsel has approved the Agreement as to legal form, and the City and the Developer have executed the Agreement.

The Developer is funding all construction and construction inspection costs. Future operation and maintenance costs of mainline storm drain facilities will accrue to the District.

Impact on Residents and Businesses

Developer's planned development will benefit from the storm drain facilities that are to be constructed by the Developer.

AMR:blm P8/164895

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COOPERATIVE AGREEMENT

Perris Valley Master Drainage Plan (MDP) - Line E, Stage 2
Perris Valley MDP - Lateral E-4, Stage 1
Project Nos. 4-0-00488 and 4-0-00460
Parcel Map No. 36010

The Riverside County Flood Control and Water Conservation District, hereinafter called "DISTRICT", the City of Perris, hereinafter called "CITY", and O.R.E. Industrial, LLC, a Delaware limited liability company, hereinafter called "DEVELOPER", hereby agree as follows:

RECITALS

- A. DEVELOPER is the legal owner of record of certain real property, including Parcel Map No. 36010, located within the City of Perris, County of Riverside. DEVELOPER has submitted for approval Parcel Map No. 36010 located in the City of Perris. As a condition of approval for Parcel Map No. 36010, DEVELOPER must construct certain flood control facilities in order to provide flood protection and drainage for DEVELOPER'S planned development; and
- B. The legal description of Parcel Map No. 36010 is provided in Exhibit "A" attached hereto and made a part hereof; and
- C. The required flood control facilities, all as shown in District Drawing No. 4-1070, include construction of (i) a segment of DISTRICT'S Perris Valley MDP Line E consisting of approximately 1,350 lineal feet of a combination of concrete trapezoidal channel and underground storm drain system with a concrete bulkhead at its upstream terminus, hereinafter called "LINE E-STAGE 2", as shown in concept in blue on Exhibit "B" attached hereto and made a part hereof; (ii) approximately 50 lineal feet of double reinforced concrete box, hereinafter called "LINE 2", as shown in concept in red on Exhibit "B"; (iii) approximately 70 lineal feet of reinforced concrete box, hereinafter called "LINE 3", as shown in concept in

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green on Exhibit "B"; and (iv) DISTRICT'S Perris Valley MDP Lateral E-4 consisting of approximately 1,740 lineal feet of an underground storm drain system and its associated transition structures, hereinafter called "LAT E-4", as shown in concept in yellow on Exhibit "B". Together, LINE E-STAGE 2, LINE 2, LINE 3 and LAT E-4 are hereinafter called "DISTRICT DRAINAGE FACILITIES"; and

- D. Associated with the construction of DISTRICT DRAINAGE FACILITIES is the construction of (i) certain catch basins, outlets, inlets, connector pipes, and various lateral storm drains that are thirty-six inches (36") or less in diameter that are located within CITY held easements or rights of way, hereinafter called "CITY APPURTENANCES"; (ii) approximately 50 lineal feet of emergency spillway structure, hereinafter called "INTERIM SPILLWAY"; (iii) approximately 2,100 lineal feet of offsite gunite low flow channel, hereinafter called "OFFSITE LOW FLOW CHANNEL"; and (iv) approximately 350 lineal feet of underground storm drain system consisting of approximately 300 lineal feet of forty-two inch (42") reinforced concrete pipe and approximately 50 lineal feet of double reinforced concrete box and its associated transition structure, hereinafter called "LINE 1". Together CITY APPURTENANCES, INTERIM SPILLWAY, OFFSITE LOW FLOW CHANNEL, and LINE 1 are hereinafter called "CITY FACILITIES"; and
- E. Additionally, DEVELOPER proposes to construct (i) certain reinforced concrete boxes and gunite trapezoidal channel, hereinafter called "APPURTENANCES"; and (ii) a lift station, hereinafter called "LIFT STATION". APPURTENANCES and LIFT STATION are to be located within privately held easements or rights of way and which are to be maintained by DEVELOPER. Together, APPURTENANCES and LIFT STATION are hereinafter called DEVELOPER FACILITIES; and

F. Together, DISTRICT DRAINAGE FACILITIES, CITY FACILITIES, and DEVELOPER FACILITIES are hereinafter called "PROJECT"; and

G. All parties recognize and acknowledge that DISTRICT DRAINAGE FACILITIES will not become a fully functioning flood control drainage system until such time that the future construction of the Perris Valley MDP Line E, for the reach between the downstream terminus of LINE E-STAGE 2 to DISTRICT'S existing Perris Valley Channel, is completed. This reach of Perris Valley MDP Line E between the immediate downstream of LINE E-STAGE 2 to DISTRICT'S existing Perris Valley Channel is hereinafter called "ULTIMATE LINE E"; and

H. CITY is willing to assume ownership, operation and maintenance responsibilities of DISTRICT DRAINAGE FACILITIES on an interim basis as set forth herein, with the recognition and understanding that the actual acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance responsibilities by DISTRICT is entirely dependent upon (i) the construction of ULTIMATE LINE E being complete; (ii) DISTRICT acceptance of ownership and responsibility for the operation and maintenance of ULTIMATE LINE E; (iii) DISTRICT DRAINAGE FACILITIES being constructed in accordance with plans and specifications approved by DISTRICT and as set forth herein; (iv) DISTRICT'S sole determination that DISTRICT DRAINAGE FACILITIES are in a satisfactorily maintained condition, (v) the complete removal of INTERIM SPILLWAY; (vi) the removal of all portions of LIFT STATION that are located within DISTRICT'S easements or right of way; (vii) LINE E-STAGE 2 drains into DISTRICT'S existing Perris Valley Channel via ULTIMATE LINE E; and (viii) DISTRICT DRAINAGE FACILITIES are fully functioning as a flood control drainage system as solely determined by DISTRICT; and

- I. CITY and DEVELOPER desire DISTRICT to ultimately accept ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES. Therefore, DISTRICT must review and approve DEVELOPER'S plans and specifications for DISTRICT DRAINAGE FACILITIES and subsequently inspect the construction of DISTRICT DRAINAGE FACILITIES; and
- J. DISTRICT and DEVELOPER desire CITY to accept ownership and responsibility for the operation and maintenance of CITY FACILITIES. Additionally, it is mutually understood and agreed that CITY shall assume ownership and sole responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES as set forth herein. Therefore, CITY must review and approve DEVELOPER'S plans and specifications for PROJECT and subsequently inspect the construction of PROJECT; and
- K. DISTRICT is willing to (i) review and approve DEVELOPER'S plans and specifications for DISTRICT DRAINAGE FACILITIES, (ii) inspect the construction of DISTRICT DRAINAGE FACILITIES, and (iii) ultimately assume ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, provided that DEVELOPER (i) complies with this Agreement, (ii) pays DISTRICT the amounts specified herein to cover DISTRICT'S plan check review and construction inspection costs for DISTRICT DRAINAGE FACILITIES, (iii) constructs PROJECT in accordance with DISTRICT and CITY approved plans and specifications, (iv) accepts ownership and responsibility for the operation and maintenance of PROJECT following completion of PROJECT construction until such time as CITY accepts ownership and responsibility for the operation and maintenance of both DISTRICT DRAINAGE FACILITIES and CITY FACILITIES, (v) accepts sole ownership and

responsibility of the operation and maintenance of DEVELOPER FACILITIES, and (vi) obtains and conveys to DISTRICT and CITY the necessary rights of way for the inspection, operation and maintenance of DISTRICT DRAINAGE FACILITIES and CITY FACILITIES as set forth herein; and

L. CITY is willing to (i) review and approve PROJECT plans and specifications, (ii) inspect the construction of PROJECT, (iii) accept and hold faithful performance and payment bonds submitted by DEVELOPER for DISTRICT DRAINAGE FACILITIES, (iv) grant DISTRICT the right to inspect, operate and maintain portions of DISTRICT DRAINAGE FACILITIES located within CITY rights of way, (v) assume ownership and responsibility for the operation and maintenance of CITY FACILITIES upon completion of PROJECT construction, and (vi) assume ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES following completion of PROJECT construction until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES as set forth herein, provided PROJECT is constructed in accordance with plans and specifications approved by DISTRICT and CITY.

NOW, THEREFORE, the parties hereto mutually agree as follows:

SECTION I

DEVELOPER shall:

1. Prepare PROJECT plans and specifications, hereinafter called "IMPROVEMENT PLANS", including separate plans and specifications for DISTRICT DRAINAGE FACILITIES, in accordance with applicable DISTRICT and CITY standards, and submit to DISTRICT and CITY for their respective review and approval.

2. Continue to pay DISTRICT, within thirty (30) days after receipt of periodic billings from DISTRICT, any and all such amounts as are deemed reasonably necessary by DISTRICT to cover DISTRICT'S costs associated with the review of IMPROVEMENT PLANS, review and approval of right of way and conveyance documents, and with the processing and administration of this Agreement.

- 3. Deposit with DISTRICT (Attention: Business Office Accounts Receivable), at the time of providing written notice to DISTRICT of the start of PROJECT construction as set forth in Section I.8. herein, the estimated cost of providing construction inspection for DISTRICT DRAINAGE FACILITIES, in an amount as determined and approved by DISTRICT in accordance with Ordinance Nos. 671 and 749 of the County of Riverside, including any amendments thereto, based upon the bonded value of DISTRICT DRAINAGE FACILITIES.
- 4. Secure, at its sole cost and expense, all necessary licenses, agreements, permits, approvals, rights of way, rights of entry and temporary construction easements as may be needed for the construction, inspection, operation and maintenance of PROJECT. DEVELOPER shall furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., or not less than twenty (20) days prior to recordation of the final map for Parcel Map No. 36010 or any phase thereof, whichever occurs first, with sufficient evidence of DEVELOPER having secured such necessary licenses, agreements, permits, approvals, rights of way, rights of entry and temporary construction easements as determined and approved by DISTRICT and CITY.
- 5. Furnish DISTRICT and CITY with copies of all permits, approvals or agreements required by any Federal, State or local resource and/or regulatory agency for the construction, operation and maintenance of PROJECT. Such documents include but are not

limited to those issued by the U.S. Army Corps of Engineers, California Regional Water Quality Control Board, California State Department of Fish and Wildlife, State Water Resources Control Board and Western Riverside County Regional Conservation Authority.

- 6. Grant DISTRICT and CITY, by execution of this Agreement, the right to enter upon DEVELOPER'S property where necessary and convenient for the purpose of gaining access to and performing inspection service for the construction of PROJECT as set forth herein.
- 7. Provide CITY, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., or not less than twenty (20) days prior to recordation of the final map for Parcel Map No. 36010 or any phase thereof, whichever occurs first, with faithful performance and payment bonds, each in the amount of one hundred percent (100%) of the estimated cost for construction of DISTRICT DRAINAGE FACILITIES as determined by DISTRICT. The surety, amount and form of the bonds shall be subject to the approval of DISTRICT and CITY. The bonds shall remain in full force and effect until DISTRICT DRAINAGE FACILITIES are accepted by DISTRICT and CITY as complete; at which time the bond amount may be reduced to five percent (5%) for a period of one year to guarantee against any defective work, labor or materials.
- 8. Notify DISTRICT in writing (Attention: Administrative Services Section) at least twenty (20) days prior to the start of construction of PROJECT. Construction shall not begin on any element of PROJECT, for any reason whatsoever, until DISTRICT has issued to DEVELOPER a written Notice to Proceed authorizing DEVELOPER to commence construction of PROJECT.
- 9. Obtain and provide DISTRICT (Attention: Right of Way Acquisition Section), at the time of providing written notice to DISTRICT of the start of construction as set

forth in Section I.8., or not less than twenty (20) days prior to the recordation of the final map for Parcel Map No. 36010 or any phase thereof, whichever occurs first, with duly executed Irrevocable Offer(s) of Dedication to the public for flood control and drainage purposes, including ingress and egress, for the rights of way deemed necessary by DISTRICT for the construction, inspection, operation and maintenance of DISTRICT DRAINAGE FACILITIES, as shown in concept in blue on Exhibit "C" attached hereto and made a part hereof. The Irrevocable Offer(s) of Dedication shall be in a form approved by DISTRICT and shall be executed by all legal and equitable owners of the property described in the offer(s).

- 10. Furnish DISTRICT, when submitting the Irrevocable Offer(s) of Dedication as set forth in Section I.9. with Preliminary Reports on Title dated not more than thirty (30) days prior to date of submission of all the property described in the Irrevocable Offer(s) of Dedication.
- 11. Furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., with a complete list of all contractors and subcontractors to be performing work on DISTRICT DRAINAGE FACILITIES, including the corresponding license number and license classification of each. At such time, DEVELOPER shall further identify in writing its designated superintendent for PROJECT construction.
- 12. Furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., a construction schedule which shall show the order and dates in which DEVELOPER or DEVELOPER'S contractor proposes to carry out the various parts of work, including estimated start and completion dates. As construction of PROJECT progress, DEVELOPER shall update said construction schedule as requested by DISTRICT.

- 13. Furnish DISTRICT and CITY each with a set of final mylar plans for DISTRICT DRAINAGE FACILITIES, and assign their ownership to DISTRICT and CITY, respectively, prior to the start of PROJECT construction.
- 14. Not permit any change to, or modification of, DISTRICT and CITY approved IMPROVEMENT PLANS without the prior written permission and consent of DISTRICT and CITY.
- 15. Comply with all Cal/OSHA safety regulations including regulations concerning confined space and maintain a safe working environment for DEVELOPER, DISTRICT and CITY employees on the site.
- 16. Furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., a confined space entry procedure specific to DISTRICT DRAINAGE FACILITIES. The procedure shall comply with requirements contained in California Code of Regulations, Title 8 Section 5158, Other Confined Space Operations, Section 5157, Permit Required Confined Space and District Confined Space Procedures, SOM-18. The procedure shall be reviewed and approved by DISTRICT prior to the issuance of a Notice to Proceed.
- 17. During the construction period of PROJECT, provide Workers' Compensation Insurance in an amount required by law. A certificate of said insurance policy shall be provided to DISTRICT and CITY at the time of providing written notice pursuant to Section I.8.
- 18. Commencing on the date notice is given pursuant to Section I.8., and continuing until CITY accepts CITY FACILITIES and DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance:

- (a) Provide and maintain or cause its contractor(s) to provide and maintain comprehensive liability insurance coverage, which shall protect DEVELOPER from claim from damages for personal injury, including accidental and wrongful death, as well as from claims for property damage that may arise from DEVELOPER'S construction of PROJECT or the performance of its obligations hereunder, whether such construction or performance be by DEVELOPER, by any of its contractors, subcontractors, or by anyone employed directly or indirectly by any of them. Such insurance shall name DISTRICT, County of Riverside and CITY as additional insureds with respect to this Agreement and the obligations of DEVELOPER hereunder. Such insurance shall provide for limits of not less than two million dollars (\$2,000,000) per occurrence.
- (b) Cause its insurance carrier(s) or its contractor's insurance carrier(s), who shall be authorized by the California Department of Insurance to transact the business of insurance in the State of California, to furnish DISTRICT and CITY at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., with certificate(s) of insurance and applicable policy endorsements showing that such insurance is in full force and effect and that DISTRICT, County of Riverside and CITY are named as additional insureds with respect to this Agreement and the obligations of DEVELOPER hereunder. Further, said certificate(s) shall state that the issuing company shall give DISTRICT and CITY sixty (60)

days written notice in the event of any cancellation, termination, non-renewal or reduction in coverage of the policies evidenced by the certificate(s). In the event of any such cancellation, termination, non-renewal or reduction in coverage, DEVELOPER shall, forthwith, secure replacement insurance meeting the provisions of this paragraph.

Failure to maintain the insurance required by this paragraph shall be deemed a material breach of this Agreement and shall authorize and constitute authority for DISTRICT, at its sole discretion, to proceed to perform the remaining work pursuant to Section IV.4.

- 19. Construct or cause to be constructed, PROJECT at DEVELOPER'S sole cost and expense in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.
- 20. Within two (2) weeks of completing PROJECT construction, provide DISTRICT (Attention: Development Review Section) and CITY with written notice that PROJECT construction is substantially complete and request that DISTRICT conduct a final inspection of DISTRICT DRAINAGE FACILITIES and CITY conduct a final inspection of PROJECT. It is mutually understood that, prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, DISTRICT DRAINAGE FACILITIES shall be in a satisfactorily maintained condition as solely determined by DISTRICT and construction of ULTIMATE LINE E shall be completed.
- 21. Accept ownership and sole responsibility for the operation and maintenance of PROJECT until such time as (i) DISTRICT'S acceptance of DISTRICT DRAINAGE FACILITIES construction as being complete, (ii) CITY accepts ownership and responsibility

for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, and (iii) CITY accepts ownership and responsibility for the operation and maintenance of CITY FACILITIES.

- 22. Upon completion of PROJECT construction but prior to CITY'S acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, provide or cause its civil engineer of record or construction civil engineer of record, duly registered in the State of California, to provide DISTRICT with redlined "Record Drawings" of DISTRICT DRAINAGE FACILITIES plans. After DISTRICT approval of the redlined "Record Drawings", DEVELOPER'S engineer shall schedule with DISTRICT a time to transfer the redlined changes onto DISTRICT'S original mylars at DISTRICT'S office, after which the engineer shall review, stamp and sign DISTRICT DRAINAGE FACILITIES plans "Record Drawings".
- Of all rights of way deemed necessary by DISTRICT and CITY for the operation and maintenance of PROJECT, but prior to CITY acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance, convey, or cause to be conveyed to CITY the flood control easement(s) or grant deed(s) of fee title where appropriate, for the rights of way as shown in concept cross-hatched in red on Exhibit "C". The easement(s) or grant deed(s) shall be in a form approved by both DISTRICT and CITY and shall be executed by all legal and equitable owners of the property described in the easement(s) or grant deed(s).
- 24. At the time of recordation of the conveyance document(s) as set forth in Section I.23., furnish CITY with policies of title insurance, each in the amount of not less than (i) fifty percent (50%) of the estimated fee value, as determined by DISTRICT and CITY, for each easement parcel to be conveyed to CITY, or (ii) one hundred percent (100%) of the estimated value, as determined by DISTRICT and CITY, for each fee parcel to be conveyed to

CITY, guaranteeing CITY'S interest in said property as being free and clear of all liens, encumbrances, assessments, easements, taxes and leases (recorded or unrecorded), and except those which, in the sole discretion of DISTRICT and CITY, are acceptable.

- 25. Upon CITY'S acceptance of DISTRICT DRAINAGE FACILITIES and CITY FACILITIES for ownership, operation and maintenance, continue to accept ownership and sole responsibility for the operation and maintenance of DEVELOPER FACILITIES.
- 26. Pay, if suit is brought upon this Agreement or any bond guaranteeing the completion of PROJECT, all costs and reasonable expenses and fees, including reasonable attorneys' fees, and acknowledge that, upon entry of judgment, all such costs, expenses and fees shall be computed as costs and included in any judgment rendered.
- 27. Ensure that all work performed pursuant to this Agreement by DEVELOPER, its agents or contractors is done in accordance with all applicable laws and regulations, including but not limited to all applicable provisions of the Labor Code, Business and Professions Code, and Water Code. DEVELOPER shall be solely responsible for all costs associated with compliance with applicable laws and regulations.

SECTION II

CITY shall:

- 1. Review and approve PROJECT IMPROVEMENT PLANS prior to the start of PROJECT construction.
- 2. Accept CITY and DISTRICT approved faithful performance and payment bonds submitted by DEVELOPER, as set forth in Section I.7., and hold said bonds as provided herein.
 - 3. Inspect PROJECT construction.
 - 4. Consent, by execution of this Agreement, to the recording of any

Irrevocable Offer(s) of Dedication furnished by DEVELOPER pursuant to this Agreement.

- 5. As requested by DISTRICT, accept the Irrevocable Offer(s) of Dedication as set forth herein, and any other outstanding offers of dedication necessary for the construction, inspection, operation and maintenance of DISTRICT DRAINAGE FACILITIES, and convey sufficient rights of way to DISTRICT to allow DISTRICT to construct, inspect, operate and maintain DISTRICT DRAINAGE FACILITIES.
- 6. Accept ownership and sole responsibility for the operation and maintenance of CITY FACILITIES and DISTRICT DRAINAGE FACILITIES upon (i) CITY inspection of PROJECT in accordance with Section I.20., (ii) CITY acceptance of PROJECT construction as being complete, (iii) DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES construction as being complete, and (iv) CITY receipt of stamped and signed Record Drawings of DISTRICT DRAINAGE FACILITIES plans as set forth in Section III.8.
- 7. Accept sole ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES until such time as (i) the construction of ULTIMATE LINE E is completed, (ii) DISTRICT accepts ownership and responsibility for the operation and maintenance of LINE E, (iii) DISTRICT DRAINAGE FACILITIES drain freely into the ULTIMATE LINE E and are fully functioning as a flood control drainage system as solely determined by DISTRICT, and (iv) DISTRICT DRAINAGE FACILITIES are formally accepted by DISTRICT for ownership, operation and maintenance. It is mutually understood that, prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, DISTRICT DRAINAGE FACILITIES shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, subsequent to the inspection and, in the sole discretion of DISTRICT, DISTRICT DRAINAGE FACILITIES are not in an acceptable condition, corrections shall be made at CITY'S sole

8. Accept all liability whatsoever associated with the ownership, operation and maintenance of DISTRICT DRAINAGE FACILITIES until such time as DISTRICT DRAINAGE FACILITIES are formally accepted by DISTRICT for ownership, operation and maintenance.

- 9. Upon DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES construction as being complete, accept sole responsibility for the adjustment of all PROJECT manhole rings and covers located within CITY rights of way which must be performed at such time(s) that the finished grade along and above the underground portions of DISTRICT DRAINAGE FACILITIES are improved, repaired, replaced or changed. It being further understood and agreed that any such adjustments shall be performed at no cost to DISTRICT.
- 10. Following CITY'S acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance, not permit any change to, or modification of, DISTRICT DRAINAGE FACILITIES without the prior written permission and consent of DISTRICT.
- 11. Upon construction completion of ULTIMATE LINE E but prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, convey, or cause to be conveyed to DISTRICT the flood control easement(s), including ingress and egress, or grant deed(s) of fee title where appropriate, in a form approved by DISTRICT, for the rights of way as deemed necessary solely by DISTRICT for the operation and maintenance of DISTRICT DRAINAGE FACILITIES.
- 12. Prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, (i) completely remove, or cause to be completely removed, the INTERIM SPILLWAY, and (ii) completely remove, or cause to be completely removed, all portions of LIFT STATION that are located within

DISTRICT'S easements or right of way.

- 13. Prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, provide DISTRICT with appropriate engineering documentation necessary to establish that the removal of INTERIM SPILLWAY and LIFT STATION was completed in accordance with CITY and DISTRICT approved plans.
- but prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, provide or cause its civil engineer of record or construction civil engineer of record, duly registered in the State of California, to provide DISTRICT with redlined "Record Drawings" of the revised DISTRICT DRAINAGE FACILITIES plans. After DISTRICT approval of the redlined "Record Drawings", CITY'S engineer shall schedule with DISTRICT a time to transfer the redlined changes onto DISTRICT'S original mylars at DISTRICT'S office, after which the engineer shall review, stamp and sign the revised DISTRICT DRAINAGE FACILITIES plans "Record Drawings".

SECTION III

DISTRICT shall:

- 1. Review and approve, as appropriate, PROJECT IMPROVEMENT PLANS prior to the start of PROJECT construction.
- 2. Provide CITY an opportunity to review and approve plans and specifications for DISTRICT DRAINAGE FACILITIES prior to DISTRICT'S final approval.
- 3. Upon execution of this Agreement, record or cause to be recorded, a copy of this Agreement in the Official Records of the Riverside County Recorder.
 - 4. Record, or cause to be recorded, the Irrevocable Offer(s) of Dedication

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5. Inspect construction of DISTRICT DRAINAGE FACILITIES.

provided by DEVELOPER pursuant to Section I.9. herein.

- 6. Keep an accurate accounting of all DISTRICT costs associated with the review and approval of IMPROVEMENT PLANS, the review and approval of right of way and conveyance documents, and the processing and administration of this Agreement.
- 7. Keep an accurate accounting of all DISTRICT construction inspection costs, and within forty-five (45) days after DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES as being complete, submit a final cost statement to DEVELOPER. If the deposit, as set forth in Section I.3., exceeds such costs, DISTRICT shall reimburse DEVELOPER the excess amount within sixty (60) days after DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES as being complete. If at any time the costs exceed the deposit or are anticipated by DISTRICT to exceed the deposit, DEVELOPER shall pay such additional amount(s), as deemed reasonably necessary by DISTRICT to complete inspection of DISTRICT DRAINAGE FACILITIES, within thirty (30) days after receipt of billing from DISTRICT.
- 8. Provide CITY with a reproducible duplicate copy of "Record Drawings" of DISTRICT DRAINAGE FACILITIES plans upon (i) DISTRICT acceptance of PROJECT construction as being complete, and (ii) DISTRICT receipt of stamped and signed "Record Drawings" of DISTRICT DRAINAGE FACILITIES plans as set forth in Section I.22.
- 9. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES from CITY upon (i) recordation of all conveyance documents described in Section I.23, (ii) DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES construction as being complete, (iii) DISTRICT receipt of all necessary rights of way as described in Section II.11, (iv) DISTRICT receipt of all appropriate engineering documentation as described in Section II.13, (v) DISTRICT receipt of stamped and signed

"Record Drawings" of the revised DISTRICT DRAINAGE FACILITIES plans as described in Section II.14, (vi) DISTRICT acceptance of ULTIMATE LINE E construction as being complete, (vii) DISTRICT acceptance of ULTIMATE LINE E for ownership, operation and maintenance, (viii) LINE E-STAGE 2 drains into DISTRICT'S existing Perris Valley Channel via ULTIMATE LINE E, (ix) DISTRICT DRAINAGE FACILITIES are fully functioning as a flood control drainage system as solely determined by DISTRICT, and (x) DISTRICT'S sole determination that DISTRICT DRAINAGE FACILITIES are in a satisfactorily maintained condition.

SECTION IV

It is further mutually agreed:

- 1. Prior to CITY'S acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES from DEVELOPER, DISTRICT DRAINAGE FACILITIES shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, in the sole discretion of DISTRICT, DISTRICT DRAINAGE FACILITIES are not in acceptable condition, corrections shall be at DEVELOPER'S sole expense. Following CITY'S acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance and prior to DISTRICT'S acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, DISTRICT DRAINAGE FACILITIES shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, in the sole discretion of DISTRICT, DISTRICT DRAINAGE FACILITIES are not in acceptable condition, corrections shall be made at CITY'S sole expense.
- 2. All construction work involved with PROJECT shall be inspected by CITY but shall not be deemed complete until DISTRICT and CITY mutually agree in writing that

construction is completed in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.

- 3. CITY and DEVELOPER personnel may observe and inspect all work being done on DISTRICT DRAINAGE FACILITIES, but shall provide any comments to DISTRICT personnel who shall be solely responsible for all quality control communications with DEVELOPER'S contractor(s) during the construction of PROJECT.
- 4. DEVELOPER shall complete construction of PROJECT within twelve (12) consecutive months after execution of this Agreement and within one hundred twenty (120) consecutive calendar days after commencing work on PROJECT. It is expressly understood that since time is of the essence in this Agreement, failure of DEVELOPER to perform the work within the agreed upon time shall constitute authority for DISTRICT to perform the remaining work and require DEVELOPER'S surety to pay to CITY the penal sum of any and all bonds. In which case, CITY shall subsequently reimburse DISTRICT for DISTRICT costs incurred.
- 5. If DEVELOPER fails to commence construction of PROJECT within eight (8) months after execution of this Agreement, then DISTRICT reserves the right to withhold issuance of the Notice to Proceed pending a review of the existing site conditions as they exist at the time DEVELOPER provides written notification to DISTRICT of the start of construction as set forth in Section I.8. In the event of a change in the existing site conditions that materially affects PROJECT function or DISTRICT'S ability to operate and maintain DISTRICT DRAINAGE FACILITIES, DISTRICT may require DEVELOPER to modify IMPROVEMENT PLANS as deemed necessary by DISTRICT. In the event of a change in the existing site conditions that materially affects PROJECT function or CITY'S ability to operate and maintain CITY FACILITIES, CITY may require DEVELOPER to modify IMPROVEMENTS as deemed necessary by CITY.

6. DISTRICT shall endeavor to issue DEVELOPER a Notice to Proceed within twenty (20) days of receipt of DEVELOPER'S complete written notice, as set forth in Section I.8.; however, DISTRICT'S construction inspection staff is limited and, therefore, the issuance of a Notice to Proceed is subject to staff availability.

In the event DEVELOPER wishes to expedite issuance of a Notice to Proceed, DEVELOPER may elect to furnish an independent qualified construction inspector at DEVELOPER'S sole cost and expense. DEVELOPER shall furnish appropriate documentation of the individual's credentials and experience to DISTRICT for review and, if appropriate, approval. DISTRICT shall review the individual's qualifications and experience and, upon approval thereof, said individual, hereinafter called "DEPUTY INSPECTOR", shall be authorized to act on DISTRICT'S behalf on all DISTRICT DRAINAGE FACILITIES construction and quality control matters. If DEVELOPER'S initial construction inspection deposit furnished pursuant to Section I.3. exceeds ten thousand dollars (\$10,000), DISTRICT shall refund to DEVELOPER up to eighty percent (80%) of DEVELOPER'S initial inspection deposit within forty-five (45) days of DISTRICT'S approval of DEPUTY INSPECTOR; however, a minimum balance of ten thousand dollars (\$10,000) shall be retained on account.

7. PROJECT construction work shall be on a five (5) day, forty (40) hour work week with no work on Saturdays, Sundays or DISTRICT designated legal holidays, unless otherwise approved in writing by DISTRICT. If DEVELOPER feels it is necessary to work more than the normal forty (40) hour work week or on holidays, DEVELOPER shall make a written request for permission from DISTRICT to work the additional hours. The request shall be submitted to DISTRICT at least seventy-two (72) hours prior to the requested additional work hours and shall state the reasons for the overtime and the specific time frames required. The decision of granting permission for overtime work shall be made by DISTRICT at its sole

discretion and shall be final. If permission is granted by DISTRICT, DEVELOPER will be charged the cost incurred at the overtime rates for additional inspection time required in connection with the overtime work in accordance with Ordinance Nos. 671 and 749, including any amendments thereto, of the County of Riverside.

- 8. DEVELOPER for itself, its successors and assigns hereby releases DISTRICT and County of Riverside (including their agencies, districts, special districts and departments, their respective directors, officer, Board of Supervisors, elected and appointed officials, employees, agents and representatives) from any and all claims, demands, actions, or suits of any kind arising out of any liability, known or unknown, present or future, including but not limited to any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other liability or damage, whatsoever, for damage caused by the discharge of drainage within or from PROJECT. Nothing contained herein shall constitute a release by DEVELOPER of DISTRICT, its officers, agents and employees from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, for the negligent maintenance of DISTRICT DRAINAGE FACILITIES by DISTRICT.
- 9. DEVELOPER shall indemnify and hold harmless DISTRICT, County of Riverside, and CITY (including their respective agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives) from any liability, claim, damage, proceeding or action, present or future, based upon, arising out of or in any way relating to DEVELOPER'S (including its officers, employees, subcontractors and agents) 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) liability or damage pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution or any other law, ordinance or regulation caused by the diversion of waters from the natural drainage patterns or the discharge of drainage within or from PROJECT; or, (d) any other element of any kind or nature whatsoever.

DEVELOPER shall defend, at its sole expense, including all costs and fees (including but not limited to attorney fees, cost of investigation, defense and settlements or awards), DISTRICT, County of Riverside, and CITY (including their respective agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives) in any claim, proceeding or action for which indemnification is required.

With respect to any of DEVELOPER'S indemnification requirements, DEVELOPER shall, at its sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such claim, proceeding or action without the prior consent of DISTRICT, County of Riverside and CITY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes DEVELOPER'S indemnification obligations to DISTRICT, County of Riverside, or CITY.

DEVELOPER'S indemnification obligations shall be satisfied when DEVELOPER has provided to DISTRICT, County of Riverside, and CITY the appropriate form of dismissal (or similar document) relieving DISTRICT, County of Riverside, or CITY from any liability for the claim, proceeding or action involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe DEVELOPER'S obligations to indemnify and hold harmless DISTRICT, County of Riverside and CITY from third party claims.

In the event there is conflict between this section and California Civil Code Section 2782, this section shall be interpreted to comply with California Civil Code Section 2782. Such interpretation shall not relieve DEVELOPER from indemnifying DISTRICT, County of Riverside or CITY to the fullest extent allowed by law.

- 10. Any waiver by DISTRICT or by CITY 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 CITY 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 CITY from enforcement hereof.
- 11. 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

CITY OF PERRIS
101 North D Street
Perris, CA 92570

Riverside, CA 92501 Attn: Habib Motlagh, City Engineer

Attn: Administration Services Section

O.R.E. INDUSTRIAL, LLC 155 North Riverview Drive Anaheim, CA 92808 Attn: Tim Howard

12. This Agreement is to be construed in accordance with the laws of the State of California. If any provision of 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.

13. 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.

- 14. 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.
- 15. The rights and obligations of DEVELOPER shall inure to and be binding upon all heirs, successors and assignees.
- 16. DEVELOPER shall not assign or otherwise transfer any of its rights, duties or obligations hereunder to any person or entity without the written consent of the other parties hereto being first obtained. In the event of any such transfer or assignment, DEVELOPER expressly understands and agrees that it shall remain liable with respect to any and all of the obligations and duties contained in this Agreement.
- 17. The individual(s) executing this Agreement on behalf of DEVELOPER hereby certify that they have the authority within their company to enter into and execute this Agreement, and have been authorized to do so by any and all boards of directors, legal counsel, and/or any other board, committee or other entity within their company which have the authority to authorize or deny entering this Agreement.
- 18. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matters 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 or 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		CITY OF PERRIS				
2						
3		By RICHARD BELMODEX				
4		City Manager				
5						
6	APPROVED AS TO FORM:	ATTEST:				
7		- 10000				
8	ERIC DUNN	NANAY SALAZYR				
9	City Attorney	City Clerk	The second of the second			
10		(SEAL)				
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25	Cooperative Agreement w/ City of Perris and O.R.E. Industrial, LLC: Perris Valley MDP Line E, Stage 2 and Lateral E-4, Stage 1 Project Nos. 4-0-00488 and 4-0-00460 (Parcel Map No. 36010)					
26						
27	10/22/2014					
28	TT:AMR:blm					

1	O.R.E. INDUSTRIAL, LLC,
2	a Delaware limited liability company
3	By: Oakmont Ramona Expressway, LLC, a Delaware limited liability company,
4	its Managing Member
5	By: PRISA LHC, LLC,
6	a Delaware limited liability company its direct sole Member and Manager
7	ate direct sole (vielloc) and (vialiage)
8	By: Mac Vo S
9	MARK VANDE HEY Vice President
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25	Cooperative Agreement w/ City of Perris and O.R.E. Industrial, LLC:
26	Perris Valley MDP Line E, Stage 2 and Lateral E-4, Stage 1 Project Nos. 4-0-00488 and 4-0-00460
27	(Parcel Map No. 36010) 10/22/2014
28	TT:AMR:blm

STATE OF ILLINOIS)

COUNTY OF COOK)

On November 20, 2014, before me, the undersigned, a notary public in and for said State, personally appeared, Mark Vande Hey, personally known to me whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that, by his signature on the instrument, the person or the entity upon behalf of which the person acted, executed the instrument.

Meria D. Hawttoine Notary Public

CIDRIA W. HAWTHORNE Printed Name of Notary Public

My Commission Expires: D2 27 15

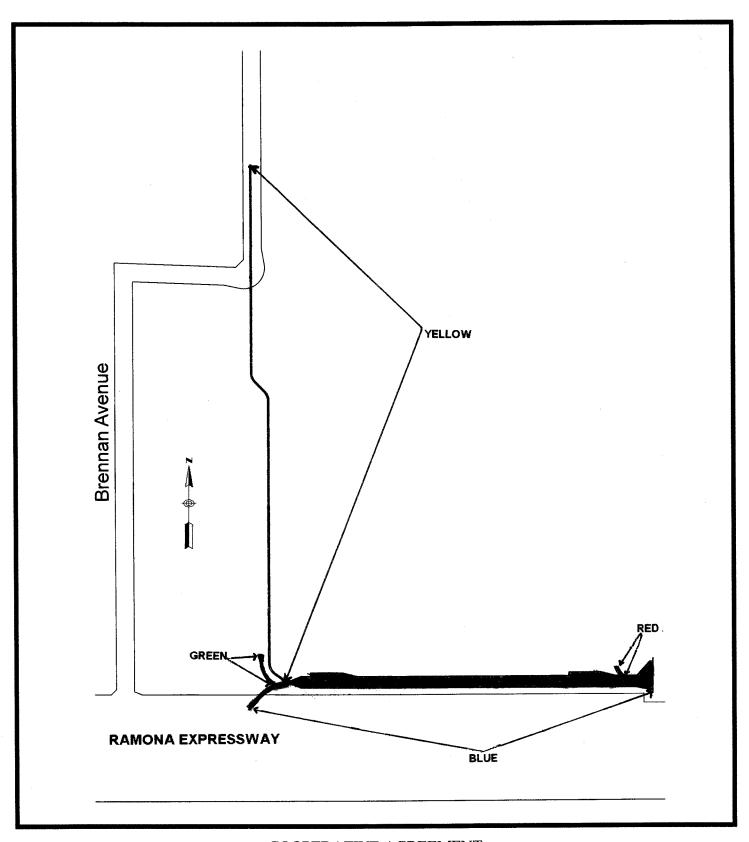
OFFICIAL SEAL
GLORIA D HAWTHORNE
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:02/27/15

Exhibit A

LEGAL DESCRIPTION Parcel Map No. 36010, in the City of Perris, County of Riverside, as shown by map on file in Book 236 of Parcel Maps at pages 89 through 94, inclusive thereof, Records of said Riverside County, California.

Perris Valley Master Drainage Plan – Line E, Stage 2
Perris Valley Master Drainage Plan – Lateral E-4, Stage 1
Parcel Map No. 36010
Project Nos. 4-0-00488 and 4-0-00460
Page 1 of 1

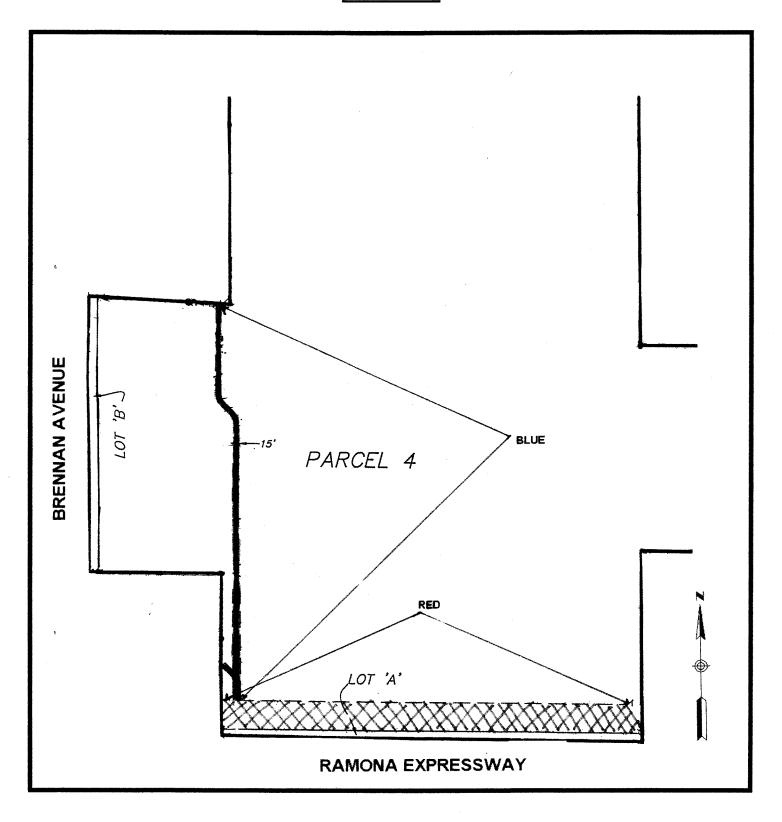
Exhibit B



COOPERATIVE AGREEMENT

Perris Valley Master Drainage Plan – Line E, Stage 2
Perris Valley Master Drainage Plan – Lateral E-4, Stage 1
Parcel Map No. 36010
Project Nos. 4-0-00488 and 4-0-00460
Page 1 of 1

Exhibit C



COOPERATIVE AGREEMENT

Perris Valley Master Drainage Plan – Line E, Stage 2
Perris Valley Master Drainage Plan – Lateral E-4, Stage 1
Parcel Map No. 36010
Project Nos. 4-0-00488 and 4-0-00460
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