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



ITEM 11.2 (ID # 4317)

MEETING DATE:

Tuesday, June 6, 2017

FROM: FLOOD CONTROL DISTRICT:

SUBJECT: FLOOD CONTROL DISTRICT: Approval of Cooperative Agreement for Perris

Valley MDP Lateral B-5, Stage 1 (Parcel Map No. 36726), Project No. 4-0-00461;

District 5 [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Cooperative Agreement between the District, the City of Perris (City) and IPT Perris DC LP (Developer); and

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

ACTION: Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Washington and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:

Jeffries, Tavaglione, Washington and Perez

Nays:

None

Absent:

Ashlev

Date:

June 6, 2017

XC:

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

FINANCIAL DATA	Current Fiscal Y	ear:	Next Fiscal Ye	ar;	Total Cost:	Ongoing Cost
COST	\$	0	\$	0	\$0	\$ 0
NET DISTRICT COST	\$	0	\$	0	\$ 0	\$ 0
SOURCE OF FUNDS	S:	Budget Adj	Budget Adjustment: No			
					For Fiscal Y	ear: N/A

C.E.O. RECOMMENDATION: APPROVE

BACKGROUND:

Summary

The Cooperative Agreement (Agreement) sets forth the terms and conditions by which certain flood control facilities are to be constructed by Developer and inspected, operated and maintained by the District, City and Developer.

The Agreement is necessary to formalize the transfer of necessary rights of way and to provide for District inspection and subsequent operation and maintenance of the referenced drainage facility. Upon completion of the drainage facility 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 Agreement. The City will also assume ownership, operation and maintenance of a 54-inch storm drain and the project's associated catch basins, outlets, inlets, concrete broad ditch, connector pipes and laterals that are 36 inches or less in diameter located within City rights of way.

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

Impact on Residents and Businesses

As noted above, construction of these drainage improvements is a requirement for the development of Parcel Map No. 36726. The principal beneficiaries are the future residents of the tract. Ancillary benefits will accrue to the public who will utilize the tract's roadways.

SUPPLEMENTAL:

Additional Fiscal Information

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.

ATTACHMENTS:

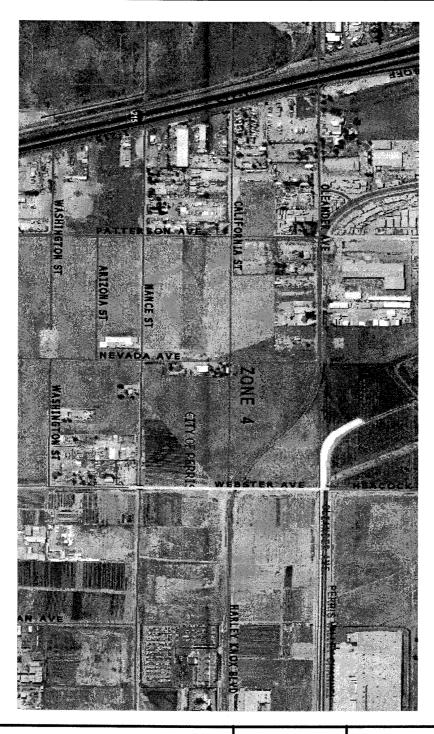
- 1. Vicinity Map
- 2. Cooperative Agreement

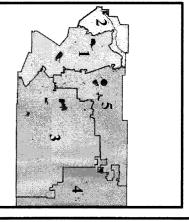
SUBMITTAL TO THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD **OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

AMR:blm P8/211139

5/30/2017 Gregory V. Priamos, Director County Counsel

5/17/2017





LEGEND:

Supervisor Districts



Project Vicinity

Supervisorial District

DESCRIPTION:

Perris Valley MDP Lateral B-5, Stage 1 (Parcel Map No. 36726)



Attachment 1

COOPERATIVE AGREEMENT

Perris Valley MDP Lateral B-5, Stage 1 Project No. 4-0-00461 (Parcel Map No. 36726)

The Riverside County Flood Control and Water Conservation District ("DISTRICT"), the City of Perris ("CITY"), and IPT Perris DC LP, a Delaware limited partnership ("DEVELOPER)", hereby agree as follows:

RECITALS

- A. DEVELOPER is the legal owner of record of certain real property located within the County of Riverside. DEVELOPER has submitted for approval Parcel Map No. 36726 located in the city of Perris. As a condition of approval for Parcel Map No. 36726, 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 36726 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. 4-1109, include construction of approximately 1,350 lineal feet of underground storm drain system ("DISTRICT DRAINAGE FACILITY"), as shown in concept in blue on Exhibit "B" attached hereto and made a part hereof. At its downstream terminus, DISTRICT DRAINAGE FACILITY will drain into DISTRICT'S existing Oleander Channel, as shown on District Drawing No. 4-0791. At its upstream terminus, DISTRICT DRAINAGE FACILITY connects to CITY'S proposed 54-inch interim inlet; and
- D. Associated with the construction of DISTRICT DRAINAGE FACILITY is the construction of (i) approximately 65 lineal feet of 54-inch reinforced concrete pipe, and (ii) certain catch basins, outlets, inlets, concrete broad ditch, 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 ("APPURTENANCES"); and

- E. Together, DISTRICT DRAINAGE FACILITY and APPURTENANCES are hereinafter called "PROJECT"; and
- F. DISTRICT DRAINAGE FACILITY includes a segment of DISTRICT'S Perris Valley MDP Lateral B-5 ("ADP FACILITY"), which is an identified segment of CITY'S Perris Valley Area Drainage Plan (ADP); and
- G. The ADP Fee obligation for Parcel Map No. 36726 ("OBLIGATION") is calculated based on the current fee at the time of issuance of building permits; and
- H. If DISTRICT estimates that upon constructing DISTRICT DRAINAGE FACILITY, DEVELOPER would earn ADP Fee credit ("CREDIT"), the estimated difference between OBLIGATION and CREDIT will result in an excess ADP Fee credit ("EXCESS CREDIT"); and
- I. Pursuant to Section IV.b.1 of the "Rules and Regulations for Administration of Area Drainage Plans" dated June 10, 1980, as amended ("RULES"), and the provisions of this Agreement, CREDIT earned by DEVELOPER for the construction of ADP FACILITY may be used to satisfy OBLIGATION; and
- J. Pursuant to RULES and this Agreement, EXCESS CREDIT may be used to satisfy the requirement to pay ADP Fees for certain properties located within the boundaries of the Perris Valley ADP, hereinafter called "ELIGIBLE PROPERTIES"; and
- K. DEVELOPER and the owner(s) of other ELIGIBLE PROPERTIES may desire to transfer some or all of DEVELOPER'S EXCESS CREDIT to ELIGIBLE PROPERTIES. In such event, DEVELOPER and owner(s) will enter into (a) separate agreement(s) concerning the transfer of DEVELOPER'S EXCESS CREDIT from DEVELOPER to said owner(s) as set forth herein; and

L. All parties recognize and acknowledge that DISTRICT DRAINAGE FACILITY will not be accepted for ownership, operation, and maintenance responsibilities by DISTRICT until the proposed future extension of the lateral storm drain ("PROPOSED LATERAL") to be constructed by others is completed and accepted by DISTRICT; and

M. CfTY is willing to assume ownership, operation, and maintenance responsibilities of DISTRICT DRAINAGE FACILITY on an interim basis, as set forth herein, with the recognition and understanding that the actual acceptance of DISTRICT DRAINAGE FACILITY for ownership, operation, and maintenance responsibilities by DISTRICT is entirely dependent upon (i) the construction of PROPOSED LATERAL being complete, (ii) DISTRICT acceptance of ownership and responsibility for the operation and maintenance of PROPOSED LATERAL, (iii) DISTRICT DRAINAGE FACILITY being constructed in accordance with plans and specifications approved by DISTRICT and as set forth herein, (iv) DISTRICT'S sole determination that DISTRICT DRAINAGE FACILITY is in a satisfactorily maintained condition, and (v) DISTRICT DRAINAGE FACILITY is fully functioning as a flood control drainage system as solely determined by DISTRICT; and

N. CITY and DEVELOPER desire DISTRICT to ultimately accept ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY. Therefore, DISTRICT must review and approve DEVELOPER'S plans and specifications for DISTRICT DRAINAGE FACILITY and subsequently inspect the construction of DISTRICT DRAINAGE FACILITY; and

O. DISTRICT and DEVELOPER desire CITY to accept ownership and responsibility for the operation and maintenance of APPURTENANCES. Additionally, it is mutually understood and agreed that CITY shall assume ownership and sole responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY until such time as DISTRICT

accepts ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY as set forth herein. Therefore, CITY must review and approve DEVELOPER'S plans and specifications for PROJECT and subsequently inspect PROJECT construction; and

- P. DISTRICT is willing to (i) review and approve DEVELOPER'S plans and specifications for DISTRICT DRAINAGE FACILITY, (ii) inspect the construction of DISTRICT DRAINAGE FACILITY, and (iii) ultimately assume ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY, 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 FACILITY, (iii) constructs PROJECT in accordance with DISTRICT and CITY approved plans and specifications, and (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 FACILITY and APPURTENANCES; and
- Q. 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 FACILITY, (iv) grant DISTRICT the right to inspect, operate and maintain portions of DISTRICT DRAINAGE FACILITY located within CITY rights of way, (v) assume ownership and responsibility for the operation and maintenance of APPURTENANCES upon completion of PROJECT construction, and (vi) assume ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY following completion of PROJECT construction until such time as DISTRICT accepts ownership and responsibility for the operation

and maintenance of DISTRICT DRAINAGE FACILITY, 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 ("IMPROVEMENT PLANS"), including separate plans and specifications for DISTRICT DRAINAGE FACILITY, 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 FACILITY 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 FACILITY.
- 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., 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. Prior to commencing PROJECT construction, 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 ("REGULATORY PERMITS").
- 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., with faithful performance and payment bonds, each in the amount of one hundred percent (100%) of the estimated cost for construction of DISTRICT DRAINAGE FACILITY 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 FACILITY is 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

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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., 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 FACILITY. 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 FACILITY, 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 progresses, 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 FACILITY, and assign their ownership to DISTRICT and CITY, respectively, prior to the start on any portion 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 FACILITY. 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. DEVELOPER shall not commence operations until DISTRICT has been furnished with original certificate(s) of insurance and original certified copies of endorsements and, if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section.

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Without limiting or diminishing DEVELOPER'S obligation to indemnify or hold DISTRICT harmless, DEVELOPER shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement:

Workers' Compensation:

If DEVELOPER has employees as defined by the State of California, DEVELOPER shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to waive subrogation in favor of DISTRICT, the County of Riverside, and CITY.

Commercial General Liability:

Commercial General Liability insurance coverage including, but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of DEVELOPER'S performance of its obligations hereunder. Policy shall name DISTRICT, the County of Riverside, and CITY, its agencies, districts, special districts, and departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as additional insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall

apply separately to this Agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If DEVELOPER'S vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then DEVELOPER shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name DISTRICT, the County of Riverside, and CITY, its agencies, districts, special districts, and departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as additional insureds.

D. Professional Liability:

DEVELOPER shall maintain Professional Liability Insurance providing coverage for DEVELOPER'S performance of work included within this Agreement with a limit of liability of not less than \$2,000,000 per occurrence and \$4,000,000 annual aggregate. If DEVELOPER'S Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and DEVELOPER shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage), or 2) Prior Dates Coverage from a new insurer with a

retroactive date back to the date of, or prior to, the inception of this Agreement, or 3) demonstrate through Certificates of Insurance that DEVELOPER has maintained continuous coverage with the same or original insurer. Coverage provided under items: 1), 2), or 3) will continue as long as the law allows.

E. General Insurance Provisions - All Lines:

- i. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A:VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- ii. DEVELOPER must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention deemed unacceptable to DISTRICT, and at the election of the County Risk Manager, DEVELOPER'S carriers shall either 1) reduce or eliminate such self-insured retention with respect to this Agreement with DISTRICT, or 2) procure a bond which guarantees payment of

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losses and related investigations, claims administration, and defense costs and expenses.

DEVELOPER shall cause their insurance carrier(s) or its contractor's insurance carrier(s) to furnish DISTRICT with 1) a properly executed original certificate(s) of insurance and certified original copies of endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original certified copies of policies including all endorsements and all attachments thereto showing such insurance is in full force and effect. Further, said certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of sixty (60) days written notice shall be given to DISTRICT prior to any material modification, cancellation, expiration, or reduction in coverage of such insurance. If DEVELOPER insurance carrier(s) policies does not meet the minimum notice requirement found herein, DEVELOPER shall cause DEVELOPER'S insurance carrier(s) to furnish a 60-day Notice of Cancellation Endorsement. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith unless DISTRICT receives, prior to such effective date, another properly executed original certificate of insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto, evidencing coverages set

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forth herein and the insurance required herein is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the certificate of insurance.

- iv. It is understood and agreed by the parties hereto that DEVELOPER'S insurance shall be construed as primary insurance and DISTRICT'S insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
 - If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.), or the term of this Agreement, including any extensions thereof, exceeds five (5) years, DISTRICT reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverages currently required herein if, in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by DEVELOPER has become inadequate.
- vi. DEVELOPER shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

vii. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to DISTRICT.

viii. DEVELOPER agrees to notify DISTRICT of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

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 provide written notice to DEVELOPER that DISTRICT is unable to perform its obligations hereunder, nor to accept responsibility for ownership, operation, and maintenance of DISTRICT DRAINAGE FACILITY due, either in whole or in part, to said breach of this Agreement.

- 18. Construct or cause to be constructed PROJECT at DEVELOPER'S sole cost and expense in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.
- 19. Within two (2) weeks of completing PROJECT construction, provide DISTRICT (Attention: Contract Administration Section) and CITY with written notice that PROJECT construction is substantially complete and request that DISTRICT conduct a final inspection of DISTRICT DRAINAGE FACILITY and CITY conduct a final inspection of PROJECT.
- 20. Accept ownership and sole responsibility for the operation and maintenance of PROJECT until such time as (i) DISTRICT'S acceptance of DISTRICT DRAINAGE FACILITY construction as being complete, (ii) CITY accepts ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY, and (iii) CITY accepts ownership and responsibility for the operation and maintenance of APPURTENANCES.

21. Upon completion of PROJECT construction but prior to CITY'S acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY, 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 FACILITY 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 FACILITY plans "record drawings".

- 22. Upon completion of PROJECT construction and upon acceptance by CITY 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 FACILITY 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 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).
- 23. At the time of recordation of the conveyance document(s) as set forth in Section I.22., 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,

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assessments, easements, taxes, and leases (recorded or unrecorded), and except those which, in the sole discretion of DISTRICT and CITY, are acceptable.

- 24. 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.
- 25. 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 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 FACILITY, and convey

sufficient rights of way to DISTRICT to allow DISTRICT to construct, inspect, operate, and maintain DISTRICT DRAINAGE FACILITY.

- 6. Accept ownership and sole responsibility for the operation and maintenance of APPURTENANCES and DISTRICT DRAINAGE FACILITY upon (i) CITY inspection of PROJECT in accordance with Section I.19., (ii) CITY acceptance of PROJECT construction as being complete, (iii) DISTRICT acceptance of DISTRICT DRAINAGE FACILITY construction as being complete, and (iv) CITY receipt of stamped and signed record drawings of DISTRICT DRAINAGE FACILITY plans as set forth in Section III.8.
- 7. Accept sole ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY until such time as (i) the construction of PROPOSED LATERAL is complete, and (ii) DISTRICT DRAINAGE FACILITY is 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 FACILITY, DISTRICT DRAINAGE FACILITY 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 FACILITY is not in an acceptable condition, corrections shall be made at CITY'S sole expense.
- 8. Accept all liability whatsoever associated with the ownership, operation, and maintenance of DISTRICT DRAINAGE FACILITY until such time as DISTRICT DRAINAGE FACILITY is formally accepted by DISTRICT for ownership, operation, and maintenance.
- 9. Following CITY'S acceptance of DISTRICT DRAINAGE FACILITY for ownership, operation, and maintenance, not permit any change to or modification of DISTRICT DRAINAGE FACILITY without the prior written permission and consent of DISTRICT.
 - 10. Upon DISTRICT acceptance of DISTRICT DRAINAGE FACILITY

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 FACILITY is improved, repaired, replaced, or changed. It being further understood and agreed that any such adjustments shall be performed at no cost to DISTRICT

SECTION III

DISTRICT shall:

- 1. Review and approve, as appropriate, IMPROVEMENT PLANS prior to the start of PROJECT construction.
- 2. Provide CITY an opportunity to review and approve plans and specifications for DISTRICT DRAINAGE FACILITY 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 provided by DEVELOPER pursuant to Section I.9. herein.
 - 5. Inspect construction of DISTRICT DRAINAGE FACILITY.
- 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 FACILITY 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

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FACILITY 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 FACILITY, within thirty (30) days after receipt of billing from DISTRICT.

- 8. Provide CITY with a reproducible duplicate copy of "record drawings" of DISTRICT DRAINAGE FACILITY plans upon (i) DISTRICT acceptance of PROJECT construction as being complete, and (ii) DISTRICT receipt of stamped and signed "record drawings" of DISTRICT DRAINAGE FACILITY plans as set forth in Section I.21.
- 9. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY from CITY upon (i) DISTRICT acceptance of DISTRICT DRAINAGE FACILITY construction as being complete, (ii) DISTRICT acceptance of PROPOSED LATERAL construction as being complete, (iii) DISTRICT acceptance of PROPOSED LATERAL for ownership, operation, and maintenance, (iv) DISTRICT DRAINAGE FACILITY is fully functioning as a flood control drainage system as solely determined by DISTRICT, and (v) DISTRICT'S sole determination that DISTRICT DRAINAGE FACILITY is 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 FACILITY from DEVELOPER, DISTRICT DRAINAGE FACILITY shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, in the sole discretion of DISTRICT, DISTRICT DRAINAGE FACILITY is not in acceptable condition, corrections shall be at DEVELOPER'S sole expense. Following CITY'S acceptance of DISTRICT DRAINAGE FACILITY for ownership, operation, and maintenance

and prior to DISTRICT'S acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITY, DISTRICT DRAINAGE FACILITY shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, in the sole discretion of DISTRICT, DISTRICT DRAINAGE FACILITY is 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 FACILITY, 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 nine (9) 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 FACILITY, 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 APPURTENANCES, CITY may require DEVELOPER to modify IMPROVEMENT PLANS 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 FACILITY 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, the County of Riverside, and CITY (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 FACILITY

after the acceptance of ownership, operation, and maintenance of DISTRICT DRAINAGE FACILITY 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

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Attn: Administration Services Section

1995 Market Street

Riverside, CA 92501

RIVERSIDE COUNTY FLOOD CONTROL

AND WATER CONSERVATION DISTRICT

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:

CITY OF PERRIS 101 North D Street Perris, CA 92570

Attn: Habib Motlagh, City Engineer

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2.5

IPT PERRIS DC LP

4675 MacArthur Court, Suite 625

Newport Beach, CA 92660

Attn: Peter Vanderburg

- 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.

CITY OF PERRIS RICHARD BELMUDEZ City Manager APPROVED AS TO FORM: ATTEST: $\mathbf{B}\mathbf{y}$ ERIC DUNN City Attorney (SEAL) Cooperative Agreement with City of Perris and IPT Perris DC LP Perris Valley MDP Lateral B-5, Stage 1 Project No. 4-0-00461 03/27/17 AMR:blm

	ii .			
1	IPT PERRIS DC LP,			
2	a Delaware limited partnership			
3	By: IPT Perris DC GP LLC			
4	a Delaware limited liability company its General Partner			
5	By: BTC Holdco I, LLC			
6	a Delaware limited liability company its Sole Member			
7	Dev. Devild To Complete the Atlanta			
8	By: Build-To-Core Industrial Partnership I LP a Delaware limited liability company its Manager			
9	its ividiage:			
10	By: IPT BTC I GP LLC a Delaware limited liability company			
11	its General Partner			
12	By: IPT Real Estate Holdco LLC			
13	a Delaware limited liability company its Sole Member			
14	Ry Industrial Dranauty Onavating Poutnamehin I D			
15	By: Industrial Property Operating Partnership LP a Delaware limited partnership			
16	its Sole Member			
17	By: Industrial Property Trust Inc. a Maryland corporation,			
18	its General Partner			
19	2A1////			
20	By K PHTER VANDERBURG			
21	Senior Vice President, Development			
22				
23				
24				
25	Cooperative Agreement with City of Parris and IDT Parris DC ID			
26	Cooperative Agreement with City of Perris and IPT Perris DC LP Perris Valley MDP Lateral B-5, Stage 1			
27	Project No. 4-0-00461 03/27/17			
28	AMR:blm			

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A notary public or other officer completing this certificate document to which this certificate is attached, and not the	e verifies only the identity of the individual who signed the truthfulness, accuracy, or validity of that document.
State of California) County of Orange)	Le 1 Dannie Motory Dille
On <u>April 28, 2017</u> before me, <u>JU</u>	·
personally appeared Peter Vande	Here Insert Name and Title of the Officer
	Name(s) of Signer(s)
subscribed to the within instrument and acknowle	evidence to be the person(s) whose name(s) is/are dged to me that he/she/they executed the same in /her/their signature(s) on the instrument the person(s), ed, executed the instrument.
0	certify under PENALTY OF PERJURY under the laws f the State of California that the foregoing paragraph true and correct.
Netary Public - California W Orange County Commission # 2170685	ignature Signature of Notary Public
Place Notary Seal Above	
Though this section is optional, completing this ir	ONAL nformation can deter alteration of the document or common to an unintended document.
Description of Attached Document	
Title or Type of Document:	Document Date:
Number of Pages: Signer(s) Other Than	Named Above:
Capacity(ies) Claimed by Signer(s)	
Signer's Name:	Signer's Name:
Corporate Officer — Title(s):	☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General	□ Partner — □ Limited □ General
☐ Individual ☐ Attorney in Fact ☐ Guardian or Conservator	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator ☐ Other:	☐ Trustee ☐ Guardian or Conservator ☐ Other:
Signer Is Representing:	Signer Is Representing:

Exhibit A

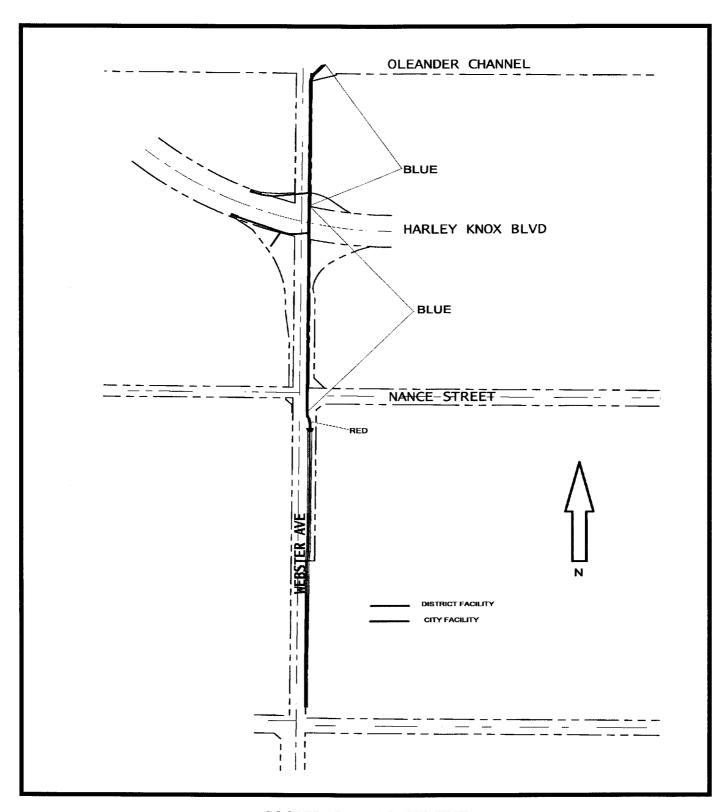
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PERRIS, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1 OF PARCEL MAP NO. 36726, IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF FILED IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, JUNE 30, 2016 IN BOOK 240, PAGES 79-81, OFFICIAL RECORDS.

APN: 302-030-002-2, 302-030-003-3, 302-030-006-6, 302-060-007-7, 302-030-008-8, 302-030-011-0

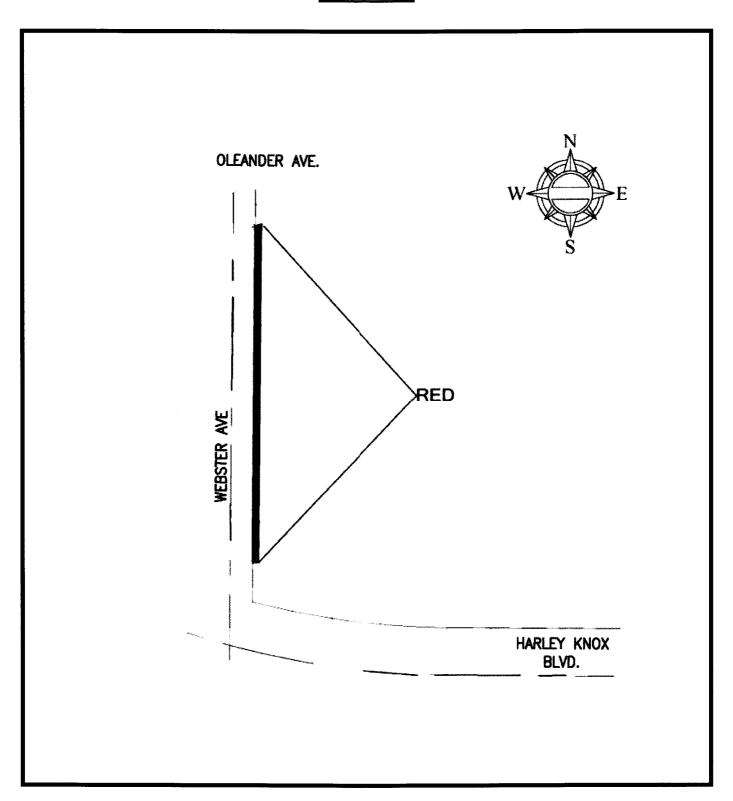
Exhibit B



COOPERATIVE AGREEMENT

Perris Valley MDP Lateral B-5, Stage 1 Project No. 4-0-00461 (Parcel Map No. 36726) Page 1 of 1

Exhibit C



COOPERATIVE AGREEMENT

Perris Valley MDP Lateral B-5, Stage 1 Project No. 4-0-00461 (Parcel Map No. 36726) Page 1 of 1