

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



ITEM: 11.5
(ID # 12092)

MEETING DATE:

Tuesday, April 07, 2020

FROM: FLOOD CONTROL DISTRICT:

SUBJECT: FLOOD CONTROL DISTRICT: Approval of Cooperative Agreement Between the Riverside County Flood Control and Water Conservation District, the City of Moreno Valley and Meritage Homes of California, Inc. for Sunnymead MDP Line M-3, Stage 2 (Tract No. 36760), Project No. 4-0-00687, Nothing Further is Required Under CEQA, District 5. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Finds, in its independent judgment and analysis as a Responsible Agency in issuing certain limited approvals, that the Cooperative Agreement and acceptance of the flood control facilities will not have a significant adverse effect on the environment, and that any potentially significant environmental effects have been adequately analyzed in a Mitigated Negative Declaration adopted on March 21, 2017 by the City of Moreno Valley for this project;
2. Approve the Cooperative Agreement between the Riverside County Flood Control and Water Conservation District (District), the City of Moreno Valley (City) and Meritage Homes of California, Inc. (Developer);
3. Authorize the Chairwoman to execute the Cooperative Agreement documents on behalf of the District; and
4. Direct the Clerk of the Board to return four (4) executed Cooperative Agreements to the District.

ACTION: Policy

Jason Unley, GENERAL MGR-CHF FLD CNTRL ENG

3/12/2020

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: April 7, 2020
xc: Flood

Kecia R. Harper
Clerk of the Board

By:
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: The developer is funding all construction and construction inspection costs (100%)			Budget Adjustment: No	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Cooperative Agreement (Agreement) sets forth the terms and conditions by which the Developer will reconstruct certain portions of the District's Kitching Street Channel (Channel), replace the existing undersized storm drain and extend the underground storm drain with a larger facility as a condition of approval for Tract No. 36760.

Sunnymead MDP Line M-3, Stage 2 will be inspected, operated and maintained by the District and City, and said construction improvements will not conflict with the Channel's primary function.

The Agreement is necessary to formalize the transfer of necessary rights of way and to provide for the District's construction inspection and subsequent operation and maintenance of the Sunnymead MDP Line M-3, Stage 2 facility. Upon completion of construction, the District will assume ownership and responsibility for the operation and maintenance of the reconstructed Channel and for the operation and maintenance of the mainline storm drain greater than 36 inches. The City will assume ownership and responsibility for the project's associated catch basins, inlets, curbs and gutters, and connector pipes that are 36 inches or less in diameter located within the City's rights of way.

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

Environmental Findings

Pursuant to Section 15096 of the State CEQA Statutes and Guidelines, the District, in its limited capacity as a Responsible Agency under CEQA, reviewed and considered the information contained in the Mitigated Negative Declaration (MND) that was prepared by the City of Moreno Valles, the Lead Agency for the Developer's residential project, and independently finds that the MND adequately analyzes and covers the District's actions. The Cooperative Agreement is within the scope of what was analyzed in the MND, and taken together, the District finds that no significant adverse impacts will result from execution of the Cooperative Agreement or from the

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operation and maintenance of the flood control facility that is the subject of the Agreement. As such, nothing further is required under CEQA.

Impact on Residents and Businesses

As noted above, construction of these improvements is a requirement for the development of Tract No. 36760. The principal beneficiaries are the future residents of the tract. Ancillary benefits will accrue to the public who will utilize the tract's roadways.

Additional Fiscal Information

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

ATTACHMENTS:


1. Vicinity Map
2. Cooperative Agreement
3. CEQA Fee Receipt

AMR:rlp
P8\230084



Jason Farin, Senior Management Analyst

3/30/2020



Gregory L. Priamos, Director County Counsel

3/12/2020

STATE OF CALIFORNIA - THE RESOURCES AGENCY
DEPARTMENT OF FISH AND GAME
ENVIRONMENTAL FILING FEE CASH RECEIPT

RECEIVED
MAY 23 2017
CITY OF MORENO VALLEY
Planning Division

Receipt #: 17-113587

State Clearinghouse # (if applicable):

Lead Agency: CITY OF MORENO VALLEY

Date: 04/11/2017

County Agency of Filing: RIVERSIDE

Document No: E-201700404

Project Title: THE LEGACY PARK

Project Applicant Name: MISSION PACIFIC LAND COMPANY

Phone Number: 951

Project Applicant Address: 4100 NEWPORT BEACH PLACE, SUITE 480, 92660, CA 92552

Project Applicant: PRIVATE ENTITY

CHECK APPLICABLE FEES:

Environmental Impact Report

Negative Declaration

Application Fee Water Diversion (State Water Resources Control Board Only)

Project Subject to Certified Regulatory Programs

County Administration Fee

Project that is exempt from fees (DFG No Effect Determination (Form Attached))

Project that is exempt from fees (Notice of Exemption)

\$2,216.25

\$50.00

Total Received \$2,266.25

Signature and title of person receiving payment:

B. Kennemer Deputy

Notes:

RECEIVED
OCT 04 2019

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT

COOPERATIVE AGREEMENT
 Sunnymead MDP – Line M-3 Stage 2
 Project No. 4-0-00687
 Tract No. 36760

This Cooperative Agreement ("Agreement"), dated as of April 7, 2020, is entered into by and between the Riverside County Flood Control and Water Conservation District, a body politic ("DISTRICT"), the City of Moreno Valley, a municipal corporation of the State of California ("CITY"), and Meritage Homes of California, Inc. ("DEVELOPER"), (together, the "Parties"). The Parties hereto 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 Tract No. 36760 located in the city of Moreno Valley. As a condition of approval for Tract No. 36760, 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 Tract No. 36760 is provided in Exhibit "A" attached hereto and made a part hereof; and

C. The required flood control facilities and drainage improvements, are identified in DISTRICT's Sunnymead Master Drainage Plan ("MDP"), as shown on DISTRICT's Drawing No. 4-1149, and as shown in concept in blue on Exhibit "B", attached hereto and made a part hereof and includes the construction of:

(i) Removal and reconstruction of approximately 15 lineal feet of DISTRICT's existing trapezoidal channel, hereinafter called "RECONSTRUCTED CHANNEL";

(ii) Replacing the existing 42" storm drain with approximately 178 lineal feet of 48" reinforced concrete pipe including its associated junction structure, replacing the

existing 36" storm drain with approximately 900 lineal feet of 42" reinforced concrete pipe, and extending the underground storm drain facility from Patricia Street with approximately 250 lineal feet of 42-inch reinforced concrete pipe including its associated transition structure ("LINE M-3 STAGE 2"). At its downstream terminus, LINE M-3 STAGE 2 will outlet to DISTRICT's Kitching Street Channel, as shown on DISTRICT's Drawing No. 4-0299; and

(iii) All safety devices requested by DISTRICT staff during PROJECT construction, including but not limited to concrete pads, slope protection barriers, signage and fencing, ("SAFETY DEVICES"). SAFETY DEVICES shall be purchased and installed by DEVELOPER, and subject to DISTRICT's inspection and approval. Together, RECONSTRUCTED CHANNEL, LINE M-3 STAGE 2 and SAFETY DEVICES are hereinafter called "DISTRICT DRAINAGE FACILITIES"; and

D. Associated with the construction of DISTRICT DRAINAGE FACILITIES is the construction of certain catch basins, curbs and gutters, connector pipes, inlets, 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 FACILITIES and APPURTENANCES are hereinafter called "PROJECT"; and

F. All Parties recognize that future planned developments west of Perris Boulevard are anticipated to connect to LINE M-3 STAGE 2. Said future connections to LINE M-3 STAGE 2 should be designed to limit the expected flow rate from the development drainage areas during the 100-year storm event to 15.3 cfs from future development north of Santiago Drive and 1.78 cfs from the future development south of Santiago Drive as shown on Sheet 11 of Drawing No. 4-1149. This will ensure that LINE M-3 STAGE 2 provides the 100-year level of flood protection as shown on the plans. DISTRICT is also relying upon CITY to implement

measures to mitigate the tributary flow rate entering LINE M-3 STAGE 2 from the City site during the 100-year storm event as shown on Drawing No. 4-1149, and in accordance with LINE M-3 STAGE 2 Extension Drainage Study; and

G. CITY and DEVELOPER desire DISTRICT to 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 PROJECT and subsequently inspect the construction of DISTRICT DRAINAGE FACILITIES; and

H. DISTRICT and DEVELOPER desire CITY to accept ownership and responsibility for the operation and maintenance of APPURTENANCES. Therefore, CITY must review and approve DEVELOPER's plans and specifications for PROJECT and subsequently inspect and approve the construction of APPURTENANCES; and

I. DISTRICT is willing to: (i) review and approve DEVELOPER's plans and specifications for PROJECT, (ii) inspect the construction of DISTRICT DRAINAGE FACILITIES, and (iii) accept ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, provided DEVELOPER (a) complies with this Agreement, (b) constructs PROJECT in accordance with DISTRICT and CITY approved plans and specifications, and (c) accepts ownership and responsibility for the operation and maintenance of PROJECT following completion of PROJECT construction until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES; and

J. CITY is willing to (i) review and approve DEVELOPER's plans and specifications for PROJECT, (ii) inspect the construction of PROJECT, (iii) accept and hold faithful performance and payment bonds submitted by DEVELOPER for DISTRICT

DRAINAGE FACILITIES and APPURTENANCES, (iv) grant DISTRICT the right to inspect, operate and maintain DISTRICT DRAINAGE FACILITIES within CITY rights of way, and (v) accept ownership and responsibility for the operation and maintenance of APPURTENANCES, 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", in accordance with applicable DISTRICT and CITY standards, and submit to DISTRICT and CITY for their 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 rights of way and conveyance documents, and with the processing and administration of this Agreement. Additionally, DEVELOPER shall deposit with CITY, any and all such amounts as are deemed reasonably necessary by CITY to cover CITY's costs associated with the review of IMPROVEMENT PLANS, the review and approval of all 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., 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. Additionally, deposit with CITY (Attention: Public Works/Land Development), at the time of providing written notice to DISTRICT of the start of PROJECT construction as set forth in Section I.8., the estimated cost of providing construction inspection in an amount as determined and approved by CITY in accordance with the most recent City Code and Fee Resolution of CITY, including any amendments thereto.

4. Secure, at its sole cost and expense, all necessary licenses, agreements, permits and rights of entry as may be needed for the construction, inspection, operation and maintenance of PROJECT. DEVELOPER shall 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., or not less than twenty (20) days prior to recordation of the final map for Tract No. 36760 or any phase thereof, whichever occurs first, with sufficient evidence of DEVELOPER having secured such necessary licenses, agreements, permits and rights of entry, as determined and approved by DISTRICT and CITY.

5. Prior to commencing 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. or not less than twenty (20) days prior to recordation of the final map for Tract No. 36760 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 and of APPURTENANCES as determined by CITY. The surety, amount and form of the bonds, shall be subject to 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 (1) year to guarantee against any defective work, labor or materials.

8. Notify DISTRICT in writing (Attention: Contract Services Section) and CITY, 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. [INTENTIONALLY DELETED]

10. [INTENTIONALLY DELETED]

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 PROJECT, 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 and/or CITY.

13. Furnish DISTRICT and CITY with final mylar PROJECT plans and assign their ownership to DISTRICT and CITY 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, but not limited to, 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 PROJECT. 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 and CITY have 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. Prior to DISTRICT issuing a Notice to Proceed to its construction contractor(s) to begin construction of PROJECT, an original certificate of insurance

evidencing the required insurance coverage shall be provided to DISTRICT and CITY. At minimum, the procured insurance coverages should adhere to DISTRICT's required insurance provided in EXHIBIT "C", attached hereto and made a part hereof. 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 FACILITIES 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: Construction Management Section) and CITY with written notice that PROJECT construction is substantially complete and requesting that DISTRICT conduct a final inspection of DISTRICT DRAINAGE FACILITIES and CITY conduct a final inspection of APPURTENANCES.

20. [INTENTIONALLY DELETED]

21. [INTENTIONALLY DELETED]

22. Accept ownership and sole responsibility for the operation and maintenance of PROJECT until such time as DISTRICT accepts ownership and responsibility for operation and maintenance of DISTRICT DRAINAGE FACILITIES and CITY accepts ownership and responsibility for operation and maintenance of APPURTENANCES.

23. 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.

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. Upon completion of PROJECT construction, but prior to DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance, 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 a redlined "record drawings" copy of PROJECT 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 the original PROJECT engineering plans "record drawings".

26. 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

DISTRICT shall:

1. Review IMPROVEMENT PLANS and approve when DISTRICT has determined that such plans meet DISTRICT standards and are found acceptable to DISTRICT prior to the start of PROJECT construction.

2. Provide CITY an opportunity to review and approve IMPROVEMENT PLANS 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. [INTENTIONALLY DELETED]

5. Inspect construction of DISTRICT DRAINAGE FACILITIES.

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

8. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES upon (i) DISTRICT inspection of DISTRICT DRAINAGE FACILITIES in accordance with Section I.19., (ii) DISTRICT acceptance of PROJECT construction as being complete, (iii) DISTRICT receipt of stamped and signed "record drawings" of PROJECT plans, as set forth in Section I.25., (iv) CITY acceptance of APPURTENANCES for ownership, operation, and maintenance, and (v) DISTRICT's sole

determination that DISTRICT DRAINAGE FACILITIES are in a satisfactorily maintained condition.

9. Provide CITY with a reproducible duplicate copy of the "record drawings" of PROJECT plans upon DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES as being complete.

10. Review and approve the future connections made to LINE M-3 STAGE 2 or its laterals and provide DISTRICT with pertinent flow rate data for the connection(s).

SECTION III

CITY shall:

1. Review IMPROVEMENT PLANS and approve when CITY has determined that such plans meet CITY standards and are found acceptable to CITY 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. [INTENTIONALLY DELETED]

5. [INTENTIONALLY DELETED]

6. Grant DISTRICT, by execution of this Agreement, the right to construct, inspect, operate and maintain DISTRICT DRAINAGE FACILITIES within CITY rights of way.

7. Accept ownership and sole responsibility for the operation and maintenance of APPURTENANCES upon DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance.

8. At the time connections are made to LINE M-3 STAGE 2 including the portion maintained by CITY, implement measures to mitigate tributary flows from the CITY site and future planned developments west of Perris Boulevard to the flow rate limits in accordance with Drawing No. 4-1149 and LINE M-3 STAGE 2 Extension Drainage Study. Additionally, CITY shall provide DISTRICT an opportunity to review and approve the future connections made to LINE M-3 STAGE 2 or its laterals and provide DISTRICT with pertinent flow rate data for the connection(s).

9. Upon DISTRICT and CITY acceptance of PROJECT 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.

SECTION IV

It is further mutually agreed:

1. All work involved with PROJECT shall be inspected by DISTRICT and CITY and 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.

2. CITY and DEVELOPER personnel may observe and inspect all work being done on PROJECT 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.

3. DISTRICT acceptance of ownership and responsibility for the operation and maintenance of 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 sole expense of DEVELOPER.

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 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 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 PROJECT 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 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 shall indemnify and hold harmless DISTRICT and CITY (including their 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 and CITY (including their 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, compromise any such claim, proceeding or action without the prior consent of DISTRICT and CITY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes DEVELOPER's indemnification obligations to DISTRICT or CITY.

DEVELOPER's indemnification obligations shall be satisfied when DEVELOPER has provided to DISTRICT and CITY the appropriate form of dismissal (or similar document) relieving DISTRICT 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 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 or CITY to the fullest extent allowed by law.

9. DEVELOPER for itself, its successors and assigns hereby releases DISTRICT and CITY, their respective 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, 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 or CITY, their 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 and APPURTENANCES, after the acceptance of DISTRICT DRAINAGE FACILITIES and APPURTENANCES by DISTRICT and CITY, respectively.

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. This Agreement is to be construed in accordance with the laws of the State of California. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall remain in full force and effect without being impaired or invalidated in any way.

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

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
1995 Market Street
Riverside, CA 92501
Attn: Contract Services Section

CITY OF MORENO VALLEY
14177 Frederick Street
Moreno Valley, CA 92552
Attn: Michael Lloyd
Public Works Department

MERITAGE HOMES OF CALIFORNIA, INC.
5 Peters Canyon, Suite 310
Irvine, CA 92606
Attn: Nick Emsiek

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 certify that they have the authority within their respective company(ies) to enter into and execute this Agreement, and have been authorized to do so by all boards of directors, legal counsel, and/or any other board, committee or other entity within their respective company(ies) which have the authority to authorize or deny entering into this Agreement.

18. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

19. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive

statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral 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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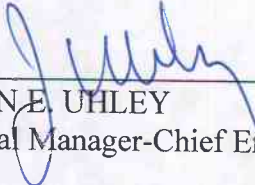
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on


APR 07 2020

(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By 
JASON E. UHLEY
General Manager-Chief Engineer

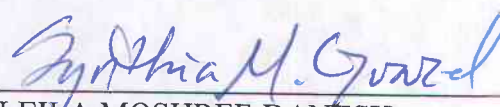
By 
KAREN SPIEGEL, Chairwoman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

GREGORY P. PRIAMOS
County Counsel

KECIA HARPER
Clerk of the Board

By 
LEILA MOSHREF-DANESH
Deputy County Counsel

By 
Deputy

SYNTHIA M. GUNZEL
Chief Deputy

(SEAL)

Cooperative Agreement for Sunnymead MDP – Line M3, Stage 2
Project No. 4-0-00687
Tract No. 36760
02/06/2020
AMR:blm

RECOMMENDED FOR APPROVAL:

CITY OF MORENO VALLEY

By Michael L. Wolfe
MICHAEL L. WOLFE
Public Works Director/City Engineer

By Allen B. Prock
ALLEN B. PROCK
ASST. City Manager

APPROVED AS TO FORM:

ATTEST:

MARTIN D. KOCZANOWICZ
City Attorney

By Paul Early
PAUL EARLY
Assistant City Attorney

By Pat Jacquez-Nares
PAT JACQUEZ-NARES
City Clerk

(SEAL)

Cooperative Agreement for Sunnymead MDP – Line M3, Stage 2
Project No. 4-0-00687
Tract No. 36760
02/06/2020
AMR:blm

**MERITAGE HOMES OF CALIFORNIA,
INC.,**
a California corporation

By 

NICK EMSIEK
Vice President – Land Acquisition

(ATTACH NOTARY WITH CAPACITY
STATEMENT)

Cooperative Agreement for Sunnymead MDP – Line M3, Stage 2
Project No. 4-0-00687
Tract No. 36760
02/06/2020
AMR:blm

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

(In accordance with Section 1189 of the California Civil Code)

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange} ss.

On February 7, 2020, before me, Tracey Curioso, Notary Public, personally appeared Nick Emsiek, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

Tracey Curioso, Notary Public, #2227667

(Commission

Expires

Jan

6,

2022)

(seal)

EXHIBIT A

LEGAL DESCRIPTION

(APN: 485-220-040)

LOT 2 ON THE CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 996, RECORDED MARCH 25, 2009 AS INSTRUMENT NO. 09-144742, OFFICIAL RECORDS.

A PORTION OF LOTS 17 AND 24 IN BLOCK 3 OF RIVERSIDE ALFALFA ACRES, AS SHOWN BY MAP ON FILE IN BOOK 8, PAGE 21 OF MAPS, RIVERSIDE COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 24, SAID POINT LYING ON THE WESTERLY RIGHT OF WAY LINE OF PERRIS BOULEVARD BEING 30 FEET (HALF WIDTH) FROM THE CENTERLINE OF SAID PERRIS BOULEVARD;

THENCE SOUTH 89° 33' 33" WEST, ALONG THE SOUTH LINE OF SAID LOT 24, A DISTANCE OF 324.37 FEET TO THE INTERSECTION WITH THE NORTHEASTERLY RIGHT OF WAY OF THE CALIFORNIA AQUEDUCT AS SHOWN BY TRACT 22180-2, RECORDED AS MAP ON FILE IN BOOK 207, PAGES 97-103 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, SAID POINT ALSO BEING THE POINT OF BEGINNING;

THENCE NORTH 35° 32' 24" WEST, ALONG SAID NORTHEASTERLY LINE, A DISTANCE OF 1,547.15 FEET TO THE SOUTH RIGHT OF WAY LINE OF GENTIAN AVENUE AS SHOWN ON SAID TRACT MAP 22180-2. SAID POINT BEING 70.15 FEET FROM THE INTERSECTION OF SAID SOUTH RIGHT OF WAY AND THE WEST LOT LINE OF SAID LOT 17;

THENCE SOUTH 89° 52' 11" WEST, ALONG SAID SOUTH RIGHT OF WAY, A DISTANCE OF 70.15 FEET TO THE WEST LINE OF SAID LOT 17;

THENCE SOUTH 00° 09' 15" EAST, ALONG SAID WEST LINE AND THE WEST LINE OF SAID LOT 24, A DISTANCE OF 1,256.21 FEET TO THE SOUTHWEST CORNER OF SAID LOT 24;

THENCE NORTH 89° 33' 33" EAST, ALONG THE SOUTH LINE OF SAID LOT 24, A DISTANCE OF 966.08 FEET TO THE POINT OF BEGINNING AND THE END OF THIS DESCRIPTION.

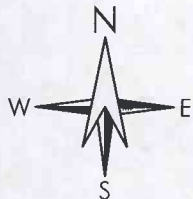
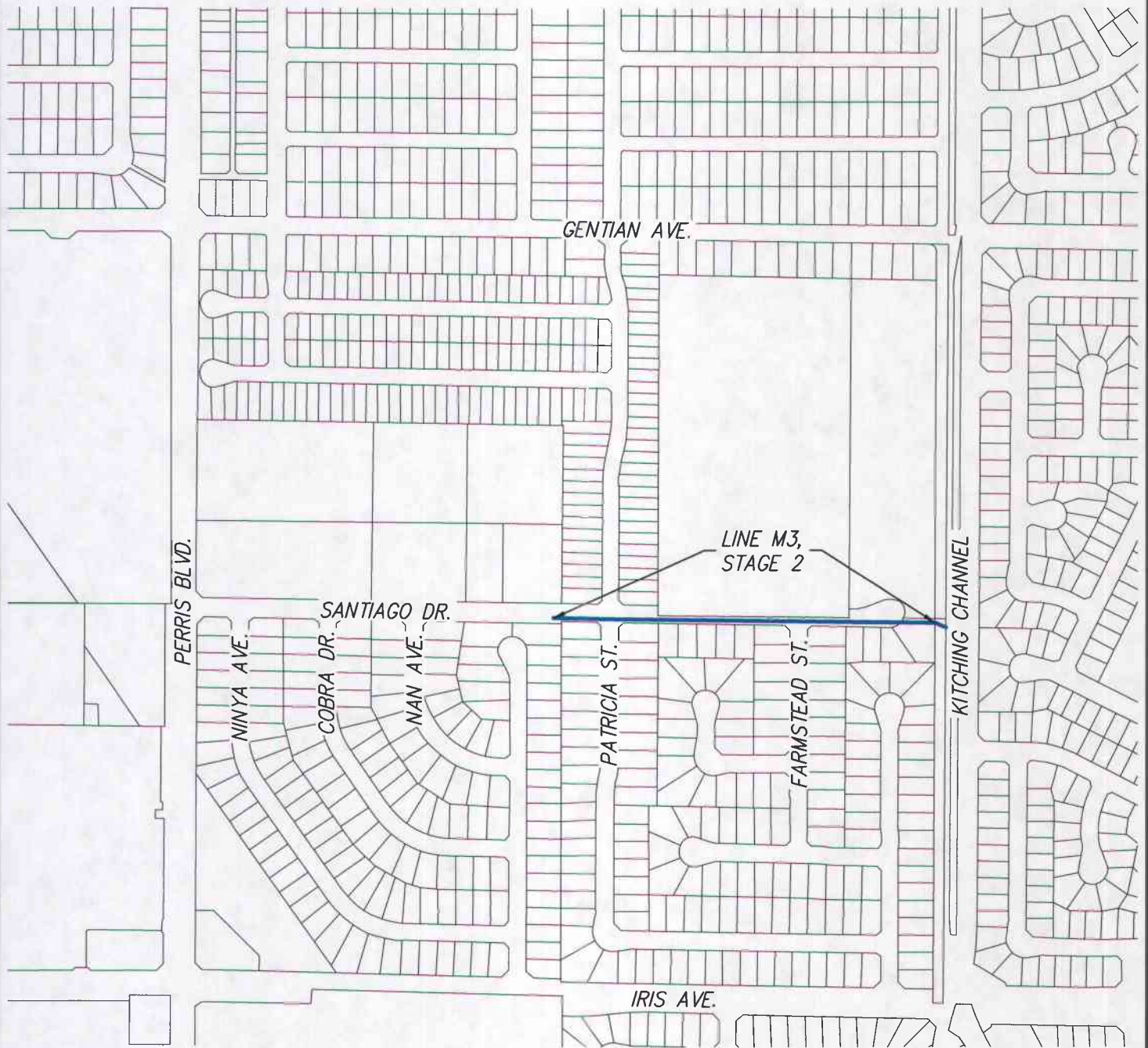
(APN'S: 485-220-042 AND 485-220-032)

LOTS 18 AND 23 IN BLOCK 3 OF RIVERSIDE ALFALFA ACRES, AS SHOWN BY MAP ON FILE IN BOOK 8, PAGE 21 OF MAPS, RIVERSIDE COUNTY RECORDS.

EXCEPTING FROM SAID LOT 18 ANY PORTION LYING WITHIN TRACT NO. 22180-2 AS PER MAP RECORDED IN BOOK 207 OF MAPS, PAGES 97 THROUGH 103, INCLUSIVE, RIVERSIDE COUNTY RECORDS.

ALSO EXCEPTING FROM SAID LOT 18 ANY PORTION LYING WITHIN TRACT NO. 22180-3 AS PER MAP RECORDED IN BOOK 208, OF MAPS, PAGES 1 THROUGH 6, INCLUSIVE, RIVERSIDE COUNTY RECORDS.

EXHIBIT B



COOPERATIVE AGREEMENT
Sunnymead MDP – Line M-3, Stage 2
Project No. 4-0-00687
Tract No. 36760
Page 1 of 1

Exhibit C

DISTRICT's Required Insurance is as follows:

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.

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. As respects to the insurance section only, the DISTRICT herein refers to the Riverside County Flood Control and Water Conservation District, the County of Riverside, 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.

A. 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.

B. 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 the DISTRICT and CITY as Additional Insured. Policy's limit of liability shall not be than \$2,000,000 per occurrence

Exhibit C

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 the DISTRICT and CITY as Additional Insureds.

D. Professional Liability:

DEVELOPER shall cause any architect or engineer retained by DEVELOPER in connection with the performance of DEVELOPER's obligations under this Agreement to maintain Professional Liability Insurance providing coverage for the performance of their 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. DEVELOPER shall require that, if such 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 that such architect or engineer shall purchase at such architect or engineer's 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 such architect or engineer has maintained continuous coverage with the same or original insurer. Coverage provided under items: 1), 2) or 3) shall continue for the term specified in the insurance policy as long as the law allows.

Exhibit C

E. Pollution and Asbestos Liability:

DEVELOPER or its construction contractor(s) shall obtain, at its sole expense and keep in effect during the term of the contract, Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) covering DEVELOPER's or its construction contractor(s) liability for a third party bodily injury and property damage arising from pollution conditions caused by the DEVELOPER or its construction contractor(s) while performing their operations under the contract. The insurance coverage shall apply to sudden and accidental pollution events. Any coverage restriction as to time limit for discovery of a pollution incident and/or a time limit for notice to the insurer must be accepted by the DISTRICT. The insurance coverage shall also respond to cleanup cost. This coverage may be written in combination with the commercial general liability insurance or professional liability insurance.

DEVELOPER or its construction contractor(s) shall maintain Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate. The policy shall be endorsed to state that the general aggregate limit of liability shall apply separately to this contract. Any self-insured retention/deductible amount shall be submitted to the DISTRICT for review and approval. If DEVELOPER or its construction contractor(s) maintains broader coverage and/or higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to the broader coverage and/or higher limits maintained by DEVELOPER or its construction contractor(s). Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the DISTRICT.

In the event, DEVELOPER or its construction contractor(s) encounters materials on the site that is believed to be asbestos or polychlorinated biphenyl (PCB)

Exhibit C

which has not been rendered harmless, DEVELOPER or its construction contractor(s) shall immediately stop work in the area affected and report the condition to the DISTRICT in writing. The work in the affected area shall not thereafter be resumed except by written agreement of the DISTRICT and DEVELOPER, if in fact the material is asbestos or polychlorinated biphenyl (PCB) and has not been rendered harmless. The work in the affected area shall be resumed in the absence of asbestos or polychlorinated biphenyl (PCB), or when it has been rendered harmless, by written agreement of the DISTRICT and DEVELOPER.

DEVELOPER or its construction contractor(s) shall not be required to perform without consent any work relating to asbestos or polychlorinated biphenyl (PCB).

F. General Insurance Provisions – All Lines:

- a. 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 DISTRICT Risk Manager. If the DISTRICT's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- b. The 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 DISTRICT Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention deemed unacceptable to the DISTRICT, and at the election of the DISTRICT's Risk Manager, DEVELOPER's carriers shall either: 1) reduce or eliminate such self-insured retention with respect to this

Exhibit C

- Agreement with DISTRICT, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. 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 DISTRICT 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 thirty (30) days written notice shall be given to the 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 30 day Notice of Cancellation Endorsement.
- d. 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 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.

Exhibit C

- e. 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.
- f. 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 DISTRICT Risk Manager's reasonable judgment, the amount or type of insurance carried by DEVELOPER has become inadequate.
- g. DEVELOPER shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- h. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to DISTRICT.
- i. 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.