



Yucaipa Valley Water District

12770 Second Street, Yucaipa, California 92399 Phone: (909) 797-5117

Notice and Agenda of a Regular Meeting of the Board of Directors

Tuesday, November 1, 2016 at 6:00 p.m.

- I. **CALL TO ORDER** - Pledge of Allegiance
- II. **ROLL CALL**
- III. **PUBLIC COMMENTS** - At this time, members of the public may address the Board of Directors on matters within its jurisdiction. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the board meeting.
- IV. **CONSENT CALENDAR** - All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the board considers the motion unless members of the board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.
 - A. Minutes of Meetings
 - 1. Regular Board Meeting - October 18, 2016
 - 2. Board Workshop - October 25, 2016
- V. **STAFF REPORT**
- VI. **DISCUSSION ITEMS**
 - A. Request for a Waiver of Monthly Fees and Deposit for the Issuance of a Construction Meter- Al Ineichen [[Director Memorandum No. 16-102 - Page 13 of 50](#)]
 - RECOMMENDED ACTION: No recommendation.
 - B. Adoption of Addendum to the Reservoir R-12.4 Mitigated Negative Declaration [[Director Memorandum No. 16-103 - Page 15 of 50](#)]
 - RECOMMENDED ACTION: That the Board adopts the Addendum to the Mitigated Negative Declaration.

Any person with a disability who requires accommodation in order to participate in this meeting should contact the District office at (909) 797-5117, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

Materials that are provided to the Board of Directors after the workshop packet is compiled and distributed will be made available for public review during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting materials are also available on the District's website at www.yvwd.dst.ca.us

- C. Authorization the Solicit Bids for the Construction of an 8-inch and 30-inch Water Pipelines in Acacia Avenue and First Street [[Director Memorandum No. 16-104 - Page 20 of 50](#)]

RECOMMENDED ACTION: That the Board authorizes District staff to solicit construction bids.

- D. Overview of Development Agreement No. 2016-07 to Provide Water and Sewer Facilities and Service to the Private Development of Tract Map No. 19901, MBTK Homes (Assessor's Parcel Numbers 0322-083-07, 0322-083-27, 0322-083-42 and 0322-083-43) [[Director Memorandum No. 16-105 - Page 22 of 50](#)]

RECOMMENDED ACTION: That the Board approves Development Agreement No. 2016-07.

- E. Execution of an Updated Professional Services Agreement with RMC Water and Environment [[Director Memorandum No. 16-106 - Page 39 of 50](#)]

RECOMMENDED ACTION: That the Board approves the Master Professional Services Agreement.

VII. BOARD REPORTS

VIII. DIRECTOR COMMENTS

IX. ANNOUNCEMENTS

- A. November 8, 2016 at 4:00 p.m. - Board Workshop
- B. November 15, 2016 at 6:00 p.m. - Regular Board Meeting
- C. November 29, 2016 at 4:00 p.m. - Board Workshop
- D. December 6, 2016 at 6:00 p.m. - Regular Board Meeting
- E. December 13, 2016 at 4:00 p.m. - Board Workshop
- F. December 20, 2016 at 6:00 p.m. - Regular Board Meeting
- G. January 10, 2017 at 4:00 p.m. - Board Workshop
- H. January 17, 2017 at 6:00 p.m. - Regular Board Meeting
- I. January 31, 2017 at 4:00 p.m. - Board Workshop

X. ADJOURNMENT

Consent Calendar



Yucaipa Valley Water District

MINUTES OF A REGULAR BOARD MEETING

October 18, 2016 at 6:00 P.M.

Directors Present:

Lonni Granlund, President
Jay Bogh, Vice President
Ken Munoz, Director
Bruce Granlund, Director

Staff Present:

Joseph Zoba, General Manager
Jennifer Ares, Water Resource Manager
Mike Kostelecky, Operations Manager
Kevin King, Operations Manager
John Wrobel, Regulatory & Environmental Control
Manager
Matt Porras, Management Analyst

Directors Absent:

Tom Shalhoub, Director

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

Linda Shelton, Customer
Leonard Stephenson, San Gorgonio Pass Water Agency

The regular meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Director Lonni Granlund at 6:00 p.m. at the Administrative Office Building, 12770 Second Street, Yucaipa, California.

CALL TO ORDER

Director Jay Bogh led the pledge of allegiance.

FLAG SALUTE

The roll was called with Director Jay Bogh, Director Bruce Granlund, Director Lonni Granlund, and Director Ken Munoz were present. Director Tom Shalhoub was absent.

ROLL CALL

There were no public comments.

PUBLIC COMMENTS

Director Bruce Granlund moved to approve the consent calendar and Director Ken Munoz seconded the motion.

CONSENT CALENDAR

- A. Minutes of Meetings
 - 1. Regular Board Meeting – October 4, 2016
 - 2. Board Workshop – October 11, 2016
- B. Payment of Bills
 - 1. Approve/Ratify Invoices for Board Awarded Contracts
 - 2. Ratify General Expenses for September 2016

The motion was approved by the following vote:

Director Jay Bogh – Yes
Director Bruce Granlund – Yes
Director Lonni Granlund – Yes
Director Ken Munoz – Yes
Director Tom Shalhoub – Absent

There was no staff report presented.

STAFF REPORT

DISCUSSION ITEMS:

Following a staff presentation by General Manager Joseph Zoba, Director Jay Bogh moved and Director Ken Munoz seconded a motion that the Board receive and file the audited financial statements.

DM16-096
RECEIPT OF THE
AUDITED FINANCIAL
STATEMENTS FOR
THE PERIOD ENDING
ON JUNE 30,2016

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund -Yes
Director Lonni Granlund -Yes
Director Ken Munoz - Yes
Director Tom Shalhoub - Absent

Following a staff presentation by General Manager Joseph Zoba, Director Bruce Granlund moved and Director Ken Munoz seconded a motion that the Board receive and file the unaudited financial report.

DM 16-097
UNAUDITED
FINANCIAL REPORT
FOR THE PERIOD
ENDING ON
SEPTEMBER 30, 2016

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz - Yes
Director Tom Shalhoub - Absent

Following a staff presentation by Operations Manager Kevin King, Director Jay Bogh moved and Director Ken Munoz seconded a motion to approve Change Order Nos. 2, 3, and 4.

DM 16-098
CONSIDERATION OF
CHANGE ORDER NOS.
2,3 AND 4 RELATED
TO THE DIGESTER
CLEANING AND
DIGESTER STEEL
COVER
REPLACEMENT
PROJECT AT THE
WOCHHOLZ
REGIONAL WATER
RECYCLING FACILITY

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz - Yes
Director Tom Shalhoub - Absent

Following a staff presentation by Regulatory & Environmental Control Manager John Wrobel, Director Ken Munoz moved and Director Jay Bogh seconded a motion to receive and file the Sewer System Management Plan.

DM 16-099
REVIEW OF THE
YUCAIPA WATER
DISTRICT'S SEWER
SYSTEM
MANAGEMENT PLAN

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz – Yes
Director Tom Shalhoub - Absent

Following a staff presentation by Management Analyst Matt Porras, Director Bruce Granlund moved and Director Jay Bogh seconded a motion to authorize the General Manager to execute the grant contracts and related agreements with the Santa Ana Watershed Project Authority and OmniEarth.

DM 16-100
CONSIDERATION OF A
GRANT
OPPORTUNITY WITH
THE SANTA ANA
WATERSHED
PROJECT AUTHORITY
FOR THE
IMPLEMENTATION OF
A GEOGRAPHICAL
INFORMATION
SYSTEM AND DATA
ANALYSIS PROGRAM
TO EVALUTE
RESIDENTIAL WATER
USE AND EFFICIENCY

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz – Yes
Director Tom Shalhoub - Absent

Following a staff presentation by General Manager Joseph Zoba, Director Jay Bogh moved and Director Ken Munoz seconded a motion to contract with Edgewood Partners Insurance Center for Worker's Compensation insurance with Redwood Fire Insurance Company - Berkshire Hathaway Homestead Companies.

DM 16-101
RENEWAL OF THE
YUCAIPA VALLEY
WATER DISTRICT
WORKERS'
COMPENSATION
INSURANCE
COVERAGE

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz – Yes
Director Tom Shalhoub - Absent

Director Bruce Granlund attended the San Bernardino County Special Districts meeting on October 17, 2016. The presentation was about a new wellhead treatment system operated by West Valley Water District.

BOARD REPORTS

There were no director comments.

DIRECTOR
COMMENTS

Director Lonni Granlund called attention to the announcements listed on the agenda.

ANNOUNCEMENTS

The meeting was adjourned at 6:13 p.m.

ADJOURNMENT

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

MINUTES OF A BOARD WORKSHOP

October 25, 2016 at 4:00 P.M.

Directors Present:

Lonni Granlund, President
Jay Bogh, Vice President
Bruce Granlund, Director
Ken Munoz, Director

Staff Present:

Joseph Zoba, General Manager
Jennifer Ares, Water Resource Manager
Brent Anton, Engineering Manager
John Hull, Public Works Manager
John Wrobel, Regulatory & Environmental Control
Manager
Mike Kostelecky, Operations Manager
Vicky Elisalda, Controller
Matt Porras, Management Analyst

Directors Absent:

Tom Shalhoub, Director

Consulting Staff Present:

David Wysocki, Legal Counsel

Guests and Others Present:

Linda Shelton, Customer
Al Ineichen, Customer
Kevin Garcia, Customer
Leonard Stevenson, San Geronio Pass Water Agency

- I. Call to Order - 4:00 p.m.
- II. Public Comments - The following comments were provided by individuals in the audience:
 - None.
- III. Staff Report - General Manager Joseph Zoba discussed the following topics:
 - A recent article from the New York Times was discussed regarding increased water use and the reduced water conservation regulations in California.
 - A recent article from the Sacramento Bee was discussed regarding the management of the Sacramento River and the balance between wildlife and human use.
 - A recent article from the San Diego Union-Tribune was discussed regarding the drought in California and conservation efforts.
 - A recent letter to the California Department of Water Resources and the State Water Resources Control Board Urban Advisory Group from water agencies throughout southern California was discussed regarding the establishment of permanent regulations of water use.
- IV. Presentations
 - A. Overview of the California Drought and Yucaipa Valley Water District's Action Plan Related to the State Water Resources Control Board Water Conservation Restrictions. [Workshop Memorandum No. 16-155]. General Manager Joseph Zoba provided an overview of the California drought and the water conservation goals for the community.
 - B. Overview of Regional Sewer Collection and Sewer Treatment Opportunities between Yucaipa Valley Water District and the City of Beaumont. [Workshop

Memorandum No. 16-156]. General Manager Joseph Zoba provided an overview of the opportunities and challenges facing the City of Beaumont regarding the expansion of their sewer treatment plant.

V. Capital Improvement Projects

- A. Status Report on the Construction of a 6.0 Million Gallon Drinking Water Reservoir R-12.4. [Workshop Memorandum No. 16-157]. Engineering Manager Brent Anton provided an update on the construction of the Drinking Water Reservoir R-12.4 on Singleton Road in Calimesa.
- B. Status Report on the Construction of an 8-inch and 30-inch Water Pipelines on Acacia Avenue and First Street. [Workshop Memorandum No. 16-158]. Engineering Manager Brent Anton provided details of the proposed pipelines located on Acacia Avenue and First Street with the plan to coordinate with future paving efforts by the City of Yucaipa.
- C. Status Report on the Construction of the Calimesa Recycled Water Conveyance Pipeline in the Service Area of the Yucaipa Valley Water District. [Workshop Memorandum No. 16-159]. General Manager Joseph Zoba provided an update on the future conveyance of recycled water systems in the community.

VI. Development Projects

- A. Overview of Development Agreement No. 2016-07 to Provide Water and Sewer Facilities and Service to the Private Development of Tract Map No. 19901, MBTK Homes. (Assessor's Parcel Numbers 0322-083-07, 0322-083-27, 0322-083-42 and 0322-083-43) [Workshop Memorandum No. 16-160]. Engineering Manager Brent Anton provided an overview of the Development Agreement No. 2016-07 of the Tract No. 19901 and discussed the scope and conditions of this project.

VII. Administrative Items

- A. Request for a Waiver of Monthly Fees and Deposit for the Issuance of a Construction Meter. [Workshop Memorandum No. 16-161]. General Manager Joseph Zoba discussed the current district policy for the use of a construction meter in regards to the meter that is in use by Al Ineichen. Mr. Ineichen discussed the past load sheet arrangement for water use on his property and requested a waiver of monthly fees and deposit for a construction meter. This item will be included in the Board Meeting to be held on November 1, 2016.

VIII. Director Comments

- A. Director Ken Munoz shared the option of a lockable hydrant construction meter that may be an advantage over the current meter locking system.

IX. Closed Session

Director Jay Bogh, Director Bruce Granlund, Director Lonni Granlund and Director Ken Munoz, were present in closed session with Legal Counsel David Wysocki and General Manager Joseph Zoba concerning the following items:

- A. Conference with Real Property Negotiator(s)
Property: Assessor's Parcel Numbers: 301-201-20, 27 and 28
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Abraham and Nabil Issa
Under Negotiation: Terms of Payment and Price
- B. Conference with Real Property Negotiator(s)
Property: Assessor's Parcel Numbers: 0301-211-020 and 0301-201-030
Agency Negotiator: Joseph Zoba, General Manager

Negotiating Parties: Mesa Verde Ventures LLC c/o Betek Corporation
Under Negotiation: Terms of Payment and Price

The Board Members reconvened from closed session into open session and Legal Counsel David Wysocki reported that direction was provided to the General Manager but no reportable action was taken in closed session.

- X. Adjournment - The meeting was adjourned at 5:07 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

Staff Report



Yucaipa Valley Water District

Discussion Items





Director Memorandum 16-102

Date: November 1, 2016

Prepared By: Joseph Zoba, General Manager

Subject: Request for a Waiver of Monthly Fees and Deposit for the Issuance of a Construction Meter- Al Ineichen

Recommendation: No recommendation

On October 4, 2016, the District received the attached request from Mr. Al Ineichen requesting a waiver in monthly fees and construction meter deposit for his use at 36610 Singleton Road, Calimesa. The District staff does not have the authority to waive the monthly construction meter fees or the deposit for the construction meter. This item was discussed at the board workshop on October 25, 2016 as Workshop Memorandum No. 16-161.



If the Board of Directors decided to implement a new policy for residential use from construction meters, the District staff would suggest that this item be scheduled at the next workshop with direction provided to District staff to draft a policy that differentiates between construction water use and residential use in areas where water service is not available.

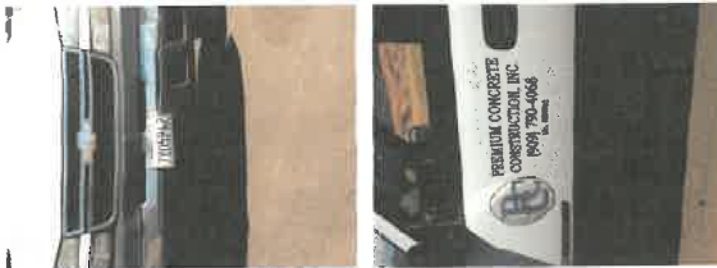
water meter or load sheet

RECEIVED
OCT 04 2016
YUCAIPA VALLEY
WATER DISTRICT

Al Ineichen
 Today, 9:03 PM
 jzoba@yvwd.dst

Reply

Sent Items



Show all 2 attachments (161 KB) Download all Save all to OneDrive - Personal

Evernote Wunderlist

October 3, 2016

Attn: Joe Zoba

My name is Al Ineichen I live at 36610 Singleton Rd. Calimesa. I have a small ranch in Calimesa. I have been hauling water for approximately 27 years with the permission of YVWD using a load sheet all this time with no problems or incidence. It just recently changed requesting me to have a meter. I do not see the need to have a meter, if required I do not fill I should have to pay \$80.00 a month plus \$1,500 deposit, which I have done, This is a construction meter and I'm not using the meter for construction. Since I now have a meter I'm responsible for the meter and the water that runs through it according to district rules.

This meter has been attached to the hydrant for only a short time and already there are other people using it, which I have no control over [see attached]. It would be more functional if I had control of the meter or went back on the load sheet at which I could report in more often if necessary.

I would like to request no monthly fee of \$80.00 and a refund of my \$1,500.00 deposit. Thank you for your attention in this matter as I would like to resume using the load sheet. Please take a look at my account, which can help you determine my usage.

I look forward to your response. Thanks very much

yours truly; Al Ineichen

951 809 4818



Director Memorandum 16-103

Date: November 1, 2016

Prepared By: Jennifer Ares, Water Resource Manager
Brent Anton, Engineering Manager

Subject: Adoption of Addendum to the Reservoir R-12.4 Mitigated Negative Declaration

Recommendation: That the Board adopts the Addendum to the Mitigated Negative Declaration.

The Yucaipa Valley Water District staff has prepared and recommends the approval of the attached addendum to the Reservoir R-12.4 project.



**YUCAIPA VALLEY WATER DISTRICT
ADDENDUM TO MITIGATED NEGATIVE DECLARATION
(14 CCR 15164)
STATE CLEARINGHOUSE NUMBER 2006031050**

Project

New 5-MG Reservoir in the City of Calimesa
State Clearinghouse No. 2006031050

Lead Agency

Yucaipa Valley Water District

Adopted Mitigated Negative Declaration

Based on the environmental analysis set forth in the Initial Study titled, *New 5-MG Reservoir in the City of Calimesa Initial Study*, dated March 2006, prepared by ECORP Consulting, Inc. (the Initial Study), Yucaipa Valley Water District (YVWD) prepared a Mitigated Negative Declaration for its New 5-MG Reservoir in the City of Calimesa (the Project). YVWD adopted the Mitigated Negative Declaration on May 17, 2006 and submitted same to the State Clearinghouse. Shortly thereafter, YVWD filed a Notice of Determination for the Project with the Riverside County Clerk and submitted same to the State Clearinghouse.

The Project described in the Initial Study and the adopted Mitigated Negative Declaration consists of the construction of a new 5 million gallon (MG) reservoir (R-12.4) in the City of Calimesa. The new reservoir would be a partially buried concrete tank located on a five-acre site along Singleton Road in the City of Calimesa.

Purpose of Addendum

Section 15164(b) of the State CEQA Guidelines provides that "An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR [Environmental Impact Report] or negative declaration have occurred".

Yucaipa Valley Water District
New 5-MG Reservoir in the City of Calimesa
Addendum to Mitigated Negative Declaration

Page 1 of 4

After adoption of the Mitigated Negative Declaration, Project construction was delayed due to unforeseen factors, and, prior to construction, YVWD determined that it would be beneficial to increase the storage capacity of the proposed reservoir from 5 million gallons (MG) to 6 MG. The increased capacity provides additional fire and emergency storage, as well as operational efficiency, for serving existing and planned future residential development.

Although the Project has since been constructed, the increase from 5 MG to 6 MG was not included in the adopted CEQA documents cited above; therefore, this Addendum to Mitigated Negative Declaration has been prepared to determine whether the revised Project would result in any significant environmental impacts that have not already been covered in the adopted Mitigated Negative Declaration.

The change from 5 MG to 6 MG is a minor change that will not involve any increase in either the quantity of water supplied to the community or in the quantity of water extracted from the groundwater basin or other water source. The increase from 5 MG to 6 MG is in water storage capacity only, and it will have no effect on the growth of the communities served, as such growth is controlled by other, unrelated master planning efforts by other agencies. Therefore, YVWD has determined that the Project as revised would not result in any additional or substantially more severe environmental impacts than those described in the Initial Study.

Because changes to the Project would not result in new significant environmental effects, an increase in severity of previously identified significant effects (no potential impacts identified in the Initial Study were considered significant after incorporation of mitigation measures), major revisions to the Mitigated Negative Declaration, or a finding that mitigation measures previously found to be infeasible would in fact be feasible, YVWD has determined that a subsequent mitigated negative declaration is not required, and an Addendum to the Mitigated Negative Declaration is appropriate in this case.

This addendum has been prepared in compliance with the provisions of the California Environmental Quality Act (CEQA), codified in California Public Resources Code, Division 13, Section 2100 *et seq* (CEQA), and the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq*). Yucaipa Valley Water District is lead agency for the Project, as it is the public agency with the primary

responsibility for preparing environmental documents and for approving, constructing, and operating the Project.

Board Determination

YVWD's Board of Directors, having conducted a careful and independent review of the proposed changes to the Project described above, does hereby find and declare that said changes are minor in nature and do not call for the preparation of a subsequent EIR or negative declaration. The Board of Directors additionally finds that:

1. No substantial changes are proposed in the Project which will require major revisions of the mitigated negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. No substantial changes have occurred with respect to the circumstances under which the Project is undertaken which will require major revisions to the mitigated negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
3. No new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the mitigated negative declaration was adopted, has been discovered. Therefore, the Board of Directors concludes that:
 - a) The Project will have no significant effects that were not discussed in the mitigated negative declaration;
 - b) Significant effects previously examined will not be substantially more severe than shown in the mitigated negative declaration;
 - c) Mitigation measures or alternatives previously found not to be feasible remain infeasible, and would not substantially reduce one or more significant effects of the Project; and
 - d) There are no mitigation measures or alternatives which are considerably different from those analyzed in the mitigated negative declaration which would substantially reduce one or more significant effects on the environment but are not being adopted.

YVWD's Board of Directors, having conducted a careful and independent review of the changes to the Project described above, does hereby find and declare that said changes are minor in nature and do not

call for the preparation of a subsequent EIR or negative declaration. Brief statements of the reasons supporting the Board's findings are as follows:

The revised Project will have physical, hydrological, environmental, and sociological impacts that are substantially similar to the Project as originally described. The revised Project will not result in significant environmental impacts not covered by the Mitigated Negative Declaration.

The Board of Directors hereby finds that this Addendum to the Mitigated Negative Declaration for the New 5-MG Reservoir in the City of Calimesa reflects its independent judgment.

DATED: _____

Lonni Granlund
President, Board of Directors
YUCAIPA VALLEY WATER DISTRICT



Director Memorandum 16-104

Date: November 1, 2016

Prepared By: Brent Anton, Engineering Manager

Subject: Authorization the Solicit Bids for the Construction of an 8-inch and 30-inch Water Pipelines in Acacia Avenue and First Street

Recommendation: That the Board authorizes District staff to solicit construction bids.

The Yucaipa Valley Water District has essentially completed the design and bid package for a replacement drinking water pipeline and crosstown transmission pipeline to be installed in First Street and Acacia Avenue.

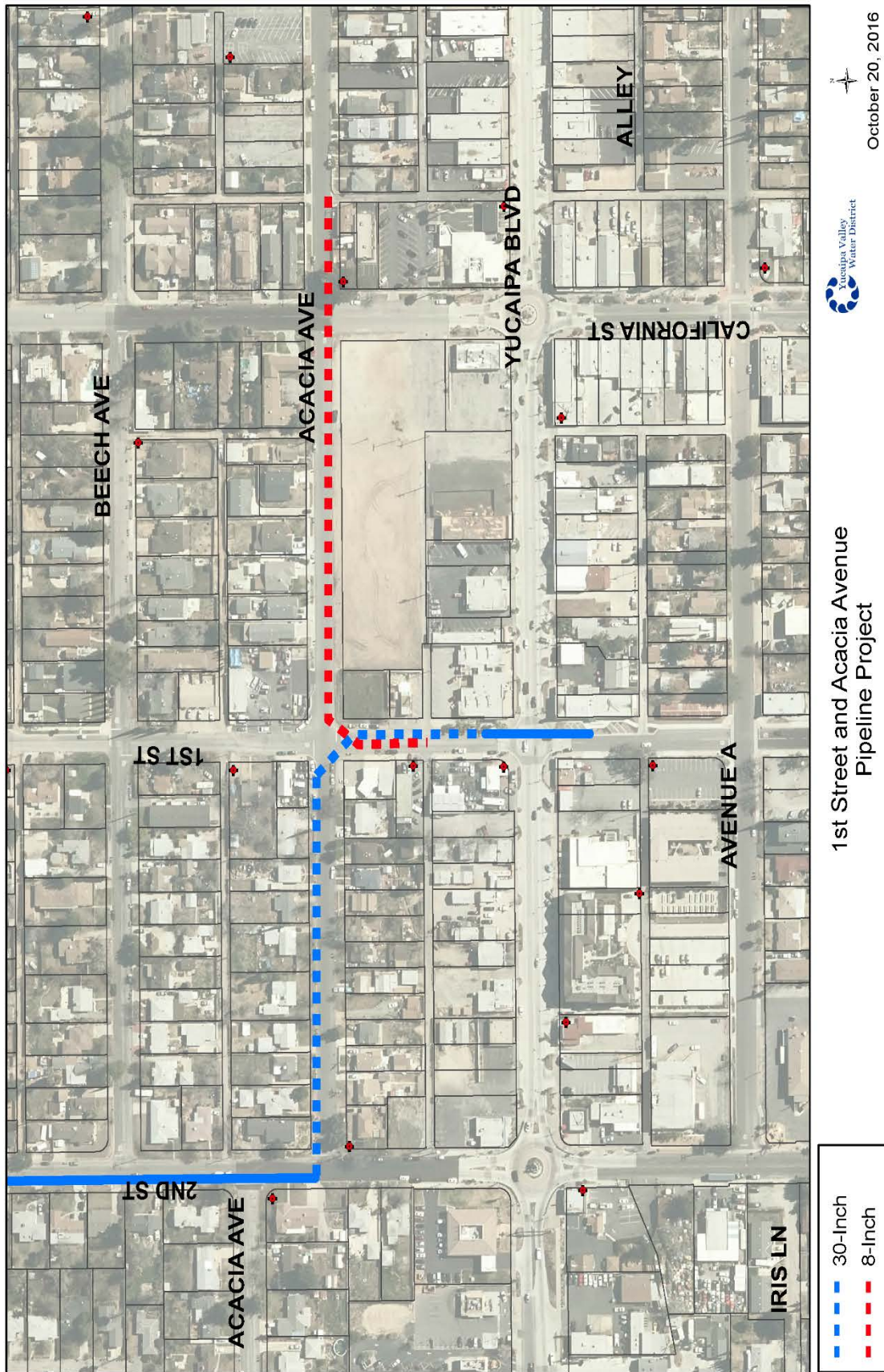
The proposed pipeline project involves two pipes; construction of 948 linear feet of 30-inch ductile iron pipe in First Street, west on Acacia Avenue to Second Street and 1,005 linear feet of 8-inch ductile iron pipe in First Street and Acacia Avenue to the alley east of California Street.

The 1,005 linear feet of 8-inch ductile iron pipe will support the infrastructure needs of the new Performing Arts Center and replace an old 6-inch PVC alley pipeline. The 948 linear feet of 30-inch ductile iron pipe is an extension of the existing 30-inch crosstown transmission pipeline in Second Street, east on Acacia Avenue and south on First Street to Yucaipa Boulevard.

This project is categorically exempt from environmental review in accordance with the California Environmental Quality Act Guidelines Section 15301(c).

Financial Considerations:

Funding for this project will be from Water Division, Depreciation Reserves.



1st Street and Acacia Avenue Pipeline Project



Director Memorandum 16-105

Date: November 1, 2016

Prepared By: Brent Anton, Engineering Manager

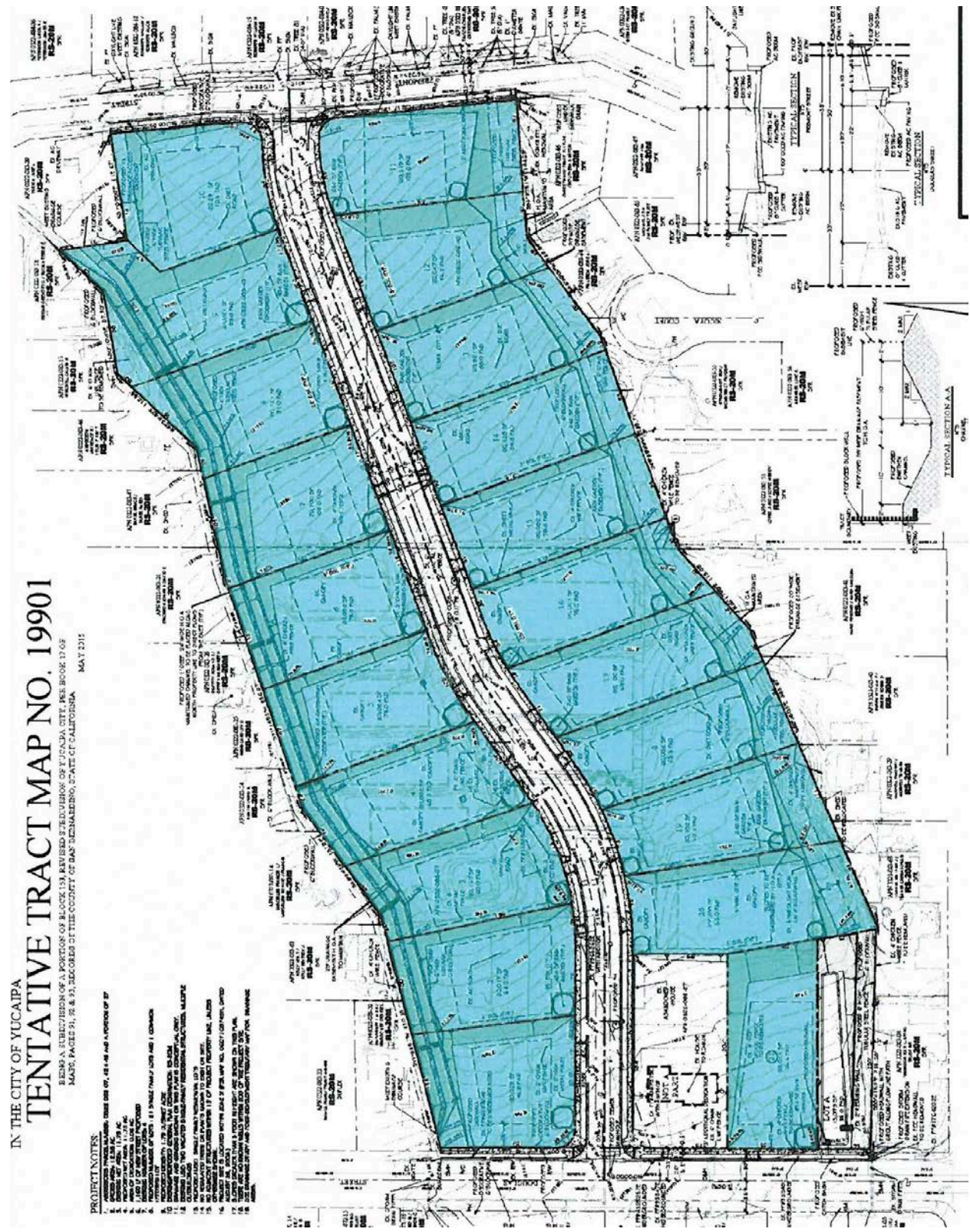
Subject: Overview of Development Agreement No. 2016-07 to Provide Water and Sewer Facilities and Service to the Private Development of Tract Map No. 19901, MBTK Homes (Assessor's Parcel Numbers 0322-083-07, 0322-083-27, 0322-083-42 and 0322-083-43)

Recommendation: That the Board approves Development Agreement No. 2016-07.

The development of Tract No. 19901 will consist of twenty-one (21) dual plumbed single family residences on approximately 12.78 acres. The project is located to the north of Avenue E, between Douglas Street and Fremont Street in the City of Yucaipa, San Bernardino County.

The District staff has been working with the developers for the preparation of a development agreement. The specific conditions of service for this project are included in Part G of the attached agreement.





YVWD AGREEMENT NO. 2016-07

**AGREEMENT TO PROVIDE WATER, SEWER AND RECYCLED
WATER FACILITIES AND SERVICE TO THE
PRIVATE DEVELOPMENT OF TRACT MAP 19901**

This Agreement is made and effective this 1st day of November, 2016, by and between the YUCAIPA VALLEY WATER DISTRICT, a public agency ("DISTRICT") and MBTK Homes, LLC, ("DEVELOPER"). Each is sometimes referred to herein as a "Party" and jointly as the "Parties".

Contact information for the parties is as follows:

DISTRICT:

Yucaipa Valley Water District
12770 Second Street
Post Office Box 730
Yucaipa, California 92399-0730
Attn: Joseph B. Zoba, General Manager
Telephone: (909) 797-5119
Facsimile (909) 797-6381

DEVELOPER:

MBTK Homes, LLC
11154 Walnut Avenue
Redlands, California 92374
Attn: Mark Buoye
Telephone: (909) 499-8353
Facsimile:

PROJECT OVERVIEW

Tract Map Number 19901 consists of 21 dual plumbed single family residences on approximately 12.78 acres. The project consists of APN's 0322-083-07, 0322-083-27, 0322-083-42 and 0322-083-43 which are located to the north of Avenue E, between Douglas Street and Fremont Street in the City of Yucaipa, San Bernardino County, (the "Property"). The proposed development of the Property will not include phased construction. (see "Attachment A – Project Overview Map").

The Yucaipa Valley Water District has been involved in the review process for this project and has established the following development related project files: P-65-317, Work Order 65-22245

RECITALS

WHEREAS, DEVELOPER desires to develop its Property situated within the service area of the DISTRICT, and

WHEREAS, DEVELOPER proposes to develop the DEVELOPER's Property in the manner generally proposed and in accordance with the currently approved maps and construction drawings reviewed by the Yucaipa Valley Water District at this time, and

WHEREAS, DEVELOPER desires to obtain water (as used herein, "water" includes, but is not limited to, recycled water where applicable) and sewer service from the DISTRICT for its development in accordance with the DISTRICT's Rules, Regulations and Policies; and

WHEREAS, it is the purpose of this Agreement to set forth the terms and conditions by which the DISTRICT will provide water and sewer service to the DEVELOPER's Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the DEVELOPER and the DISTRICT agree as follows:

PART A: THE FACILITIES

1. General Description.

a. The DEVELOPER proposes to develop its Property as provided on the approved development construction drawings approved by the DISTRICT (the "Approved Plans" as defined in Paragraph 3(a) of this Agreement) which includes water and sewer facilities ("Facilities" or "Facility") necessary to serve the Property.

b. Ownership; Operation and Maintenance: Once constructed and accepted by the DISTRICT, title to the facilities (and associated right-of-way) shall be conveyed by the DEVELOPER to the DISTRICT, and the DISTRICT shall operate and maintain the facilities and shall provide water and sewer service to the DEVELOPER's Property in accordance with the DISTRICT's Rules, Regulations and Policies and the provisions of this Agreement.

PART B: DESIGN AND CONSTRUCTION

2. Licensed Professionals. All work, labor and services performed and provided in connection with (for example) the preparation of surveys and descriptions of real property and right-of-ways, the preparation of construction specifications, plans and drawings, and the construction of all Facilities, shall be performed by, or under the direction of, professionals appropriately licensed by the State of California and in good standing. In the event the

DISTRICT reasonably determines after conferring with the DEVELOPER that other licensed professionals are required in order to satisfy the obligations of the DEVELOPER hereunder, the DEVELOPER shall promptly retain such professionals at its sole cost and expense.

3. Plan Acceptance; Facility Acceptance.

a. The DISTRICT shall within 30 calendar days of receipt respond to all plans and specifications ("Plans") related to the construction of the Facilities. Upon its final review and approval of the Plans, the DISTRICT shall sign the construction drawings ("Approved Plans") indicating such approval ("Plan Acceptance"). Plans are subject to an annual review by the District and modifications may be required by the DISTRICT to conform to revised construction standards.

b. The DEVELOPER shall not permit, or suffer to permit, the construction of any Facility without having first obtained Plan Acceptance. In the event the DEVELOPER fails or refuses to obtain the DISTRICT's Plan Acceptance, the DISTRICT may refuse, in its sole discretion and without liability to the DEVELOPER, to issue its Facility Acceptance (as that term is defined below) as to such Facility when completed.

c. The DEVELOPER shall not deviate from any Approved Plans and/or specifications without the DISTRICT's prior written approval.

d. All construction work shall be inspected on a timely basis by DISTRICT personnel and/or by DISTRICT's consultants at the sole cost of the DEVELOPER. The DEVELOPER acknowledges that the inspector(s) shall have the authority to require that any and all unacceptable materials, workmanship, construction and/or installation not in conformance with either (i) the Approved Plans, or (ii) standard practices, qualities and standards in the industry, as reasonably determined by the DISTRICT, shall be replaced, repaired or corrected at DEVELOPER's sole cost and expense.

e. In the event the DEVELOPER's contractor proposes to work overtime and beyond normal business hours, the DEVELOPER shall obtain the DISTRICT's approval at least 24 hours in advance so that inspection services may be appropriately scheduled. The DEVELOPER shall be solely responsible for paying all costs and expenses associated with such inspection services.

f. The DISTRICT shall promptly upon request of DEVELOPER cause the final inspection of a Facility which DEVELOPER indicates is completed. If the DISTRICT finds such Facilities to have been completed in conformance with the Approved Plans for which a Plan Acceptance has been issued, then DISTRICT shall issue to DEVELOPER its letter ("Facility Acceptance") indicating satisfactory completion of the Facility and DISTRICT's acceptance thereof. Neither inspection nor issuance of the Facility Acceptance shall constitute a waiver by DISTRICT of any claims it might have against DEVELOPER for any defects in the work performed, the materials provided, or the Facility constructed arising during the one year warranty period provided for under Paragraph 8 of this Agreement.

4. Project Coordination and Designation of DEVELOPER's Representative.

a. The DEVELOPER shall be solely responsible for coordinating the provision of all work, labor, material and services associated with the planning, design and construction of the water and sewer Facilities required for the DEVELOPER's Property. The DEVELOPER shall be solely responsible for compliance with all applicable federal, state and local safety rules and regulations, and shall conduct periodic safety conferences as required by law and common sense.

b. Prior to proceeding with any Facility construction, the DEVELOPER shall schedule and conduct a preconstruction conference with the DISTRICT's General Manager and the DISTRICT Engineer and/or their designees or agents. In the event the DEVELOPER fails or refuses to conduct any such conference, the DISTRICT may refuse, in its sole discretion, to accept the Facilities constructed by the DEVELOPER.

c. The DISTRICT and the DEVELOPER hereby designate the individual identified on page 1 of this Agreement as the person who shall have the authority to represent the DISTRICT and DEVELOPER in matters concerning this Agreement. In order to ensure maximum continuity and coordination, the DISTRICT and DEVELOPER agree not to arbitrarily remove or replace the authorized representative, but in the event of a substitution, the substituting Party shall promptly advise the other Party of such substitution, in writing.

5. DISTRICT's Right to Complete Facilities. The DISTRICT is hereby granted the unqualified right to complete, construct or repair all or any portion of the water and/or sewer Facilities, at DEVELOPER's sole cost and expense in the event there is a threat to the public's health, safety or welfare.

6. Construction of Connections to DISTRICT Facilities. Unless otherwise agreed to in writing by the DISTRICT, the DISTRICT shall furnish all labor, materials and equipment necessary to construct and install connections between the DEVELOPER's Facilities and the DISTRICT's water, recycled water, and sewer systems. All costs and expenses associated therewith shall be paid by the DEVELOPER.

7. Compliance With Law and DISTRICT Regulations. The DEVELOPER hereby agrees that all Facilities shall be planned, designed and constructed in accordance with all applicable laws, and the DISTRICT'S Rules, Regulations and Policies in effect at the time of construction. The DEVELOPER shall strictly comply with all applicable law, rules and regulations, concerning the provision of services, materials and the payment of wages. The DEVELOPER shall keep fully informed of and obey all laws, rules and regulations, and shall indemnify the DISTRICT against any liability arising from DEVELOPER's violation of any such law, rule or regulation.

8. DEVELOPER's Warranties. The DEVELOPER shall unconditionally guaranty, for a period of one year following the DISTRICT's Facility Acceptance thereof, any and all materials and workmanship, at the DEVELOPER's sole cost and expense. The provision of temporary water service through any of the DEVELOPER's Facilities, prior to DISTRICT's acceptance of same, shall not nullify nor diminish the DEVELOPER's warranty obligation, nor shall the DEVELOPER's warranty obligation be voided if the DISTRICT determines, in its sole discretion,

to make any emergency repairs necessary to protect the public's health, safety or welfare or to ensure continuity of water or sewer service. The DISTRICT shall notify DEVELOPER of such emergency repairs.

9. Testing and Disinfection. Upon approval by the DISTRICT, the DEVELOPER, at its sole cost and expense, shall undertake and satisfactorily complete a testing program, including without limitation, compaction, cleaning, video and air testing, and pressurized and disinfection testing, for all Facilities prior to acceptance by the DISTRICT, and to disinfect all water Facilities in accordance with the DISTRICT's procedures and other applicable laws, rules and regulations.

10. Bond Requirements. The DEVELOPER shall provide to the DISTRICT, in a form satisfactory to the DISTRICT, the following bonds:

a. A Performance and Warranty Bond. A performance bond issued by a corporate surety or sureties licensed and permitted to do business by and within the State of California in an amount representing not less than one hundred percent (100%) of any and all construction work to be conducted or performed under this Agreement. A warranty bond issued by a corporate surety or sureties licensed and permitted to do business by and within the State of California in an amount representing not less than fifty percent (50%) of the total cost of any and all construction performed hereunder, insuring against any and all defects in the Facilities constructed hereunder, for a period of not less than one full year after the date of acceptance thereof by the DISTRICT.

b. A Labor and Materials Payment Bond issued by a corporate surety or sureties licensed and permitted to do business by and within the State of California in an amount representing not less than one hundred percent (100%) of the total cost of any and all construction performed hereunder per California Civil Code Sections 9550 and following.

c. Miscellaneous Bond Requirements. All bonds required by this Section 10 shall be provided to the DISTRICT within sixty (60) days of the date that this Agreement was approved by the DISTRICT's Board of Directors. All bonds required by this section are subject to the approval as to form and content by the General Manager and DISTRICT's Legal Counsel. All bonds required by this section shall be provided by a surety that is an "admitted" surety insurer authorized to transact surety insurance in California, with assets exceeding its liabilities in the amount equal to or in excess of the amount of the bonds, and each bond shall not be in excess of ten percent (10%) of the surety insurer's assets. The bond shall be duly executed and shall meet all of the requirements of Section 995.660 of the Code of Civil Procedure.

PART C: TITLE TO FACILITIES; OPERATION

11. Title to Facilities and Right-of-Way.

a. Provided that the DEVELOPER's Facilities are designed and constructed as required hereunder and the DISTRICT proposes to issue its Facility Acceptance, the DEVELOPER shall, concurrently with the DISTRICT's Facility Acceptance, convey ownership title to all Facilities (and right-of-way, if applicable) to the DISTRICT, free and clear of any and

all liens and encumbrances except those that are expressly agreed to by the DISTRICT. The DISTRICT may require fee title or an easement, depending upon the location of the Facility through action by the Board of Directors. Upon conveyance of title, the DISTRICT shall assume the responsibility of operating and maintaining the Facilities, subject to the DEVELOPER's warranty as provided herein. The DEVELOPER acknowledges and agrees that the DISTRICT shall not be obligated to operate and maintain the Facilities and to provide service to and through them until all applicable conditions imposed by this Agreement hereunder are satisfied and title to the Facilities has been conveyed and delivered to the DISTRICT in recordable form.

b. A form for the *Grant of Easement and Rights-of-Way* and *Bill of Sale of the Facilities* is available from the District upon request.

12. Risk of Loss. Until such time as acceptance thereof by the DISTRICT, and until good and marketable title to the easements, rights-of-way and Facilities are conveyed and delivered to the DISTRICT in recordable form, the DEVELOPER shall be solely and completely responsible for any and all losses and/or damage of every kind or nature to the easements, rights-of-way and Facilities. In the event DEVELOPER believes the loss and/or damages arose from or are related to acts performed by the DISTRICT, this provision does not preclude DEVELOPER's insurance carrier from seeking indemnity and/or reimbursement from the DISTRICT.

13. Conditions Precedent to the Provision of Water and Sewer Service. Unless the DISTRICT otherwise agrees in writing, the DISTRICT shall not be obligated to provide any water and/or sewer service to the DEVELOPER's Property or any part thereof, including model homes, until Facility Acceptance by the DISTRICT and DEVELOPER conveys to the DISTRICT the right-of-way and Facilities associated with the requested service. Upon acceptance of the right-of-way and appurtenant Facilities, the DISTRICT shall provide the service requested and assume the responsibility for operating and maintaining the affected Facilities. Service provided by the DISTRICT shall be in accordance with its Rules, Regulations and Policies and shall be comparable in quality of service to that provided all similarly situated customers.

PART D: FEES AND CREDITS

14. DEVELOPER's Fees, Charges, Costs and Expenses. The DEVELOPER shall be solely responsible for the payment to the DISTRICT of all fees, charges, costs and expenses related to this development.

a. DEVELOPER Cash Account Deposit: The DEVELOPER shall deposit with the DISTRICT, to be held in a Cash Account administered by the DISTRICT, the sum of 10% of the construction costs as an initial deposit within 10 business days following the DISTRICT's approval of this Agreement. The DEVELOPER acknowledges and hereby agrees that the DISTRICT is authorized, from time-to-time, to reimburse itself from the funds on deposit. The District shall provide a monthly accounting of how funds were disbursed. The DEVELOPER further agrees to periodically replenish within 30 calendar days upon the date an invoice is issued by the DISTRICT, the Cash Account in order to maintain a minimum amount as specified by the DISTRICT. The DISTRICT will not release any buildings for occupancy unless there is a balance

of at least \$1,000 in the Cash Account. Should any unexpended funds remain in the Cash Account upon termination of this Agreement, then such funds shall be reimbursed to the DEVELOPER within 90 days.

b. Current Fees and Charges: In the event of a change in the DISTRICT's schedule of fees and charges as stated in DISTRICT's existing Resolution 07-2007 adopted on March 8, 2007, such change shall automatically be incorporated into this Agreement as though set forth in full. Unless otherwise agreed to in writing by the DISTRICT, the DEVELOPER shall pay, when due, the then-current amount of the applicable fee or charge.

i. The DEVELOPER shall pay for the purchase of a quantity of imported water pursuant to the Sustainability Policy adopted by the Board of Directors as a Resolution No. 11-2008 on August 20, 2008. The imported water rate shall be the rate in effect at the time water is secured from the San Bernardino Valley Municipal Water. Imported water for compliance with the Yucaipa Valley Water District's Sustainability Policy may be pre-paid to lock in the Development Sustainability fee or purchased prior to the issuance of building permits and pay the fee in effect at that time.

15. DISTRICT Financial Participation; Credits. The DISTRICT may agree to participate in certain facilities for this Project. Any participation or financial contribution to construct the water and wastewater infrastructure associated with this project is contained in Part G - Special Conditions of this Agreement.

PART E: PERMITS AND DOCUMENTATION

16. Permits, Licenses and CEQA Documentation. The DEVELOPER shall be solely responsible for securing and paying for all permits and licenses necessary to develop its project. The DEVELOPER shall be solely responsible for complying with the California Environmental Quality Act under the auspices of the City and/or County within which the Property is situated. However, upon request, the DEVELOPER shall furnish to the DISTRICT all relevant environmental documentation and information. The DEVELOPER, at its sole cost and expense, shall be solely responsible for defending against any and all legal challenges to the DEVELOPER'S entitlements including permits, licenses and CEQA documents.

17. Documents Furnished by the DEVELOPER. The DEVELOPER shall furnish to the DISTRICT project documentation as required by the District specified below, within the time periods specified. Each and every document submittal shall consist of a fully executed original or certified copy (in recordable form, if applicable) and four copies.

Document(s)	Due Date
Certification of Streets to Rough Grade	Prior to Construction
Field Engineering Surveys ("Cut Sheets")	Prior to Construction
Liability Insurance Certificate(s)	Prior to Construction
Performance Bond	Prior to Construction
Labor and Materials Bond	Prior to Construction
City/County Encroachment Permits and Conditions	Prior to Construction

Soil Compaction Tests	Prior to Acceptance
Grant of Easements and Rights-of-Way	Prior to Acceptance
Warranty Bond	Prior to Acceptance and Recording
Bill of Sale	Prior to Acceptance
List of Approved Street Addresses and Assessor Parcel Numbers	Prior to Setting Meter
Notice of High/Low Water Pressure	Prior to Setting Meter
Notice of Water Pumping Facility	Prior to Construction
Mechanic's Lien Releases	Upon Request of District

NOTE: The DEVELOPER hereby acknowledges and agrees that the foregoing list is not intended to be exclusive; therefore, the DISTRICT reserves the right to request, from time-to-time, additional documents or documentation.

PART F: INSURANCE AND INDEMNIFICATION

18. Indemnification and Hold Harmless. The DEVELOPER and the DISTRICT agree that the DISTRICT should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance by DEVELOPER of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to the DISTRICT, except for liability attributable to the DISTRICT's intentional and/or negligent acts. DEVELOPER acknowledges that the DISTRICT would not enter into this Agreement in the absence of this commitment from the DEVELOPER to indemnify and protect the DISTRICT as set forth here.

Therefore, the DEVELOPER shall defend, indemnify and hold harmless the DISTRICT, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by the DISTRICT, court costs, interest, defense costs including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of or in any way attributable actually, allegedly or impliedly, in whole or in part in the performance by DEVELOPER of this Agreement. All obligations under this provision are to be paid by the DEVELOPER as incurred by the DISTRICT. Notwithstanding the foregoing, the DEVELOPER shall have no obligation to defend, indemnify or hold harmless the DISTRICT, its employees, agents or officials from any liability arising, in whole or in part, from the DISTRICT'S intentional and/or negligent acts.

19. Insurance. The DEVELOPER agrees to provide insurance in accordance with the requirements set forth here throughout the term of this Agreement. If the DEVELOPER uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, the DEVELOPER agrees to amend, supplement or endorse the existing coverage to do so. The following coverages will be provided by the DEVELOPER and maintained on behalf of the DISTRICT and in accordance with the requirements set forth herein.

a. Commercial General Liability Insurance (Primary) shall be provided on ISO-CGL Form No. CG 00 01 10 93. Policy limits shall be no less than \$1,000,000 per occurrence for all

coverages and \$2,000,000 general aggregate. The DISTRICT and its officials, employees and agents shall be added as additional insureds using ISO Form CG 20 10 10 93. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the DISTRICT or any employee or agent of the DISTRICT. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

b. Umbrella Liability Insurance (over Primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross-liability exclusion and no contractor's limitation endorsement. Policy limits shall be not less than \$1,000,000 per occurrence and \$1,000,000 in the aggregate, above any limits required in the underlying policies. The policy shall have starting and ending dates concurrent with the underlying coverages.

c. Workers' Compensation/Employer's Liability shall provide workers' compensation statutory benefits as required by law. Employer's liability limits shall be no less than \$1,000,000 per accident or disease. Employer's liability coverage shall be scheduled under any umbrella policy described above. Unless otherwise agreed, this policy shall be endorsed to waive any right of subrogation as respects the DISTRICT, its employees or agents.

d. The DEVELOPER and the DISTRICT further agree as follows:

i. All insurance coverage provided pursuant to this Agreement shall not prohibit the DEVELOPER, and the DEVELOPER's employees or agents, from waiving the right of subrogation prior to a loss. The DEVELOPER waives its right of subrogation against the DISTRICT.

ii. Unless otherwise approved by the DISTRICT in writing, the DEVELOPER's insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best's" Insurance Guide rating of "A:VII". Self-insurance will not be considered to comply with these insurance specifications.

iii. The DEVELOPER agrees to provide evidence of the insurance required herein, satisfactory to the DISTRICT, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional insured endorsement to the DEVELOPER's general liability and umbrella liability policies. Certificate(s) are to reflect that the insurer will provide 30 days' notice of any cancellation of coverage. The DEVELOPER agrees to require its insurer to modify such certificate(s) to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with

regard to any notice provisions. The DEVELOPER agrees to provide complete certified copies of policies to the DISTRICT within 10 days of the DISTRICT's request for such copies.

iv. In the event of any loss that is not insured due to the failure of the DEVELOPER to comply with these requirements, the DEVELOPER agrees to be responsible for any all losses, claims, suits, damages, defense obligations and liability of any kind attributed to the DISTRICT, or the DISTRICT's officials, employees and agents as a result of such failure.

v. The DEVELOPER agrees not to attempt to avoid its defense and indemnity obligations to the DISTRICT and its employees, agents and officials by using as defense the DEVELOPER's statutory immunity under workers' compensation and similar statutes.

PART G: SPECIAL CONDITIONS

20. The following conditions, being contained herein, will be required by the District in order to receive water, recycled water and sewer service for the Project.

a. General Grading and Construction Water Needs: Due to the current drought conditions, this Project will be required to use Recycled Water for all construction water needs including but not limited to, pre-watering, grading, dust control, trench line construction and backfill procedures. Potable water needs for testing purposes of new potable water mains are required to be scheduled with the DISTRICT a minimum of 48-hours ahead of the anticipated use.

b. Potable Water Related Facilities: A Zone 15 potable water pipeline exists within both Douglas Street and Fremont Street fronting the westerly and easterly boundaries of Tract Map 19901. The DEVELOPER shall design and construct a new 8-inch minimum ductile iron pipeline or of suitable size greater than 8-inch, for potable water service and fire flow protection, to be connected to both of these pipelines and extended into and through Tract Map 19901 to serve the individual parcels.

c. Recycled Water Related Facilities: The DEVELOPER shall design and construct a new 4-inch minimum ductile iron pipeline or of suitable size greater than 4-inch, for recycled water service, to be temporarily connected to the existing Zone 15 Potable Water pipeline at a suitable location near either Douglas Street or Fremont Street and extended into and through Tract Map 19901 to serve the individual parcels. The exact location of the temporary connection location and detail for the construction design shall be determined at the time of plan checking by the DISTRICT.

d. Wastewater Related Facilities: The DEVELOPER shall design and construct a new 8-inch minimum extra strength vitrified clay sewer pipeline, for wastewater service, extended easterly from Douglas Street and extended into and through Tract Map 19901 to serve the individual parcels.

e. Previously Constructed Facilities: There are multiple service connections between water and sewer that were used or installed to serve the original parent parcels of this project. The following is a list of those items and their respective requirements;

i. 12437 Douglas Street (APN: 0322-083-07) has an existing water service line that the DISTRICT has no record of being paid for or used. There is also a sewer lateral shown on the DISTRICT Sewer Plan A.D. No. 4, sheet 4 of 26 that was previously connected to on October 27, 1988 and then disconnected at the public right-of-way on April 8, 1994. The DEVELOPER shall abandon both service laterals pursuant to DISTRICT standards at their serving main connection locations. This parent parcel has 1 (EDU) sewer credit that will be applied towards the first development impact fees due at the time of building permit for Tract 19901.

ii. 12453 Douglas Street (APN: 0322-083-27) has an existing 3/4-inch water service that is currently serving the existing home. The DEVELOPER shall identify the service location within Douglas Street to ensure that the service will remain on the proposed remainder parcel that the current home will reside upon. If this water service falls outside of the Douglas Street frontage of the remainder parcel, the DEVELOPER shall abandon and relocate the water service to the southerly parcel line to be paired up with the proposed Tract 19901, Lot 21 water service.

This same parent APN: 0322-083-27 has two existing sewer laterals from Douglas Street. The existing home is currently connected to the lateral that will no longer front the remainder parcel after the recordation of Tract Map No. 19901. The DEVELOPER shall abandon this sewer lateral connection at the public right-of-way and reconnect the remainder parcel to the remaining sewer lateral fronting the home. The locations of these existing laterals are shown on DISTRICT Sewer Plan A.D. No. 4, sheet 4 of 26. If the location of the lateral currently serving the existing home is in an acceptable location pursuant to DISTRICT standards after the right-of-way improvements have taken place on Douglas Street, proposed Lot 21, then the DEVELOPER may reuse this same lateral to serve the residential lot. However, if it is no longer in a reasonable location to serve Lot 21, then the DEVELOPER shall abandon this same lateral to the main and relocate it in the appropriate location per DISTRICT standards. This parent parcel has 1 (EDU) water and sewer credit that will remain with the existing home upon the remainder parcel. No EDU credits are available to be applied to the development of Tract 19901 from this parcel.

iii. The parent APN: 0322-083-42 has an existing DISTRICT Sewer Manhole and Sewer Easement as shown on DISTRICT Sewer Plan A.D. No. 4, sheet 4 of 26. The DEVELOPER shall bring this Sewer Manhole up to DISTRICT standards by way of Standard Drawing S-11 and reflect this on the sewer design drawings for Tract 19901. No EDU credits are available to be applied to the development of Tract 19901 from this parcel.

iv. The parent APN: 0322-083-43 has an existing 1-inch water service and an existing sewer lateral. The DISTRICT has no record of the sewer lateral having been paid for or used. The DEVELOPER shall abandon both service laterals to the public mains pursuant to DISTRICT standards. The existing lateral is shown on DISTRICT Sewer Map A.D. No. 4, sheet 7 of 26. This parent parcel has 1.67 (EDU) credit for water that will be applied towards the first development impact fees due at the time of building permit for Tract 19901.

e. The DISTRICT shall require all outstanding invoices related to the Project to be paid prior to releasing each lot for occupancy.

PART H: MISCELLANEOUS

21. Term and Termination of Agreement.

a. Unless extended by mutual agreement of the parties in writing, this Agreement shall terminate at 5:00 p.m., on the day before the sixth (6th) anniversary date of this Agreement; provided, however, that this Agreement shall automatically terminate, without further liability to either party, as follows:

i. Within 10 business days of the effective date of this Agreement if the DEVELOPER fails or refuses to make the Cash Account deposit, or if the Cash Account is not replenished to a positive balance after the issuance of an invoice by the DISTRICT for a period of 75 calendar days; or

ii. Within 12 months of the effective date of this Agreement, if the initial construction contemplated hereunder has not commenced within such time; or

iii. Immediately, upon abandonment by the DEVELOPER of the DEVELOPER's Property and/or the work hereunder. "Abandonment" is defined as the act of bankruptcy or to fail to improve the Property in a manner consistent with the proposed development plan; and/or

iv. Within 45 days of the date of the issuance of a Notice of Default by the DISTRICT to the DEVELOPER in the event the DEVELOPER fails or refuses to perform, keep or observe any of the terms, conditions or covenants set forth in this Agreement.

b. Any termination of this Agreement shall not be construed as a waiver of any claim the DISTRICT may have against the DEVELOPER or that the DEVELOPER may have against the DISTRICT.

c. In the event of termination, and in order to counteract any threat to the public's health, safety or welfare, the DISTRICT shall have the right, without liability to complete, at the DEVELOPER's non-reimbursable expense, all or a portion of the Facilities constructed pursuant to this Agreement on the condition that a claim has been made against the performance bond issued by the DEVELOPER for this Property.

d. Notwithstanding the foregoing, the Indemnification clauses contained herein shall survive the termination of this Agreement.

22. Status of the Parties. This Agreement is not intended to create, and nothing herein contained shall be construed to create, an association, a trust, a joint venture, a partnership or

other entity of any kind, or to constitute either party as the agent, employee or partner of the other.

23. Amendment; Assignment.

a. Amendment. This Agreement may be amended, from time-to-time, by mutual agreement of the DISTRICT and the DEVELOPER, in writing signed by both Parties. The DISTRICT and the DEVELOPER further agree that to the extent this Agreement does not address all aspects of the DEVELOPER's Property, the Parties shall meet and confer and negotiate in good faith, and execute a written amendment or supplement to this Agreement.

b. Assignment. This Agreement shall not be assigned, whether in whole or in part.

24. Force Majeure. If either the DISTRICT or the DEVELOPER is delayed, hindered or prevented from performing any term of this Agreement by any cause beyond either party's control including, without limitation, any strike, walkout, prohibitions imposed by law, rules or regulations, riot, war, act of God or the default of the other party, then such performance may be excused or the time of performance tolled during the period of delay.

25. Incorporation of Prior Agreements. This Agreement contains all of the agreements of the parties with respect to any matter covered or mentioned in this Agreement, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

26. Waiver. No waiver by either Party of any provisions of this Agreement shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either Party of the same or any other provisions.

27. Severance. If any provision of this Agreement is determined to be void by any court of competent jurisdiction then such determination shall not affect any other provision of this Agreement provided that the purpose of this Agreement is not frustrated.

28. DISTRICT's Disclaimer. Utilizing fees and Facilities provided to the DISTRICT by the DEVELOPER, the DISTRICT will supply potable water, recycled (non-potable) water, and wastewater collection and treatment services to the DEVELOPER's Property and development thereon. However, the DISTRICT shall not be obligated to utilize public funds to subsidize the DEVELOPER's Project. The DISTRICT shall not be required to authorize the issuance of grading, building or occupancy permits during the period of time that the Board of Directors have declared a 20% reduction or greater of overall water use for a portion or all of the DISTRICT's service area. The DISTRICT agrees, however, to make every effort to minimize drought impacts.

29. Preparation of This Agreement. This Agreement shall not be construed against the Party preparing it, but shall be construed as if both Parties prepared it.

30. Alternative Dispute Resolution.

a. Any dispute as to the construction, interpretation or implementation of this Agreement, or any rights or obligations hereunder, shall be submitted to mediation. Unless the Parties enter into a written stipulation to the contrary, prior to the filing of any complaint to initiate legal action, all disputes shall first be submitted to non-binding mediation, conducted by the Judicial Arbitration and Mediation Services, Inc./Endispute, or its successor, or any other neutral, impartial mediation service that the Parties mutually agree upon in accordance with its rules for such mediation. Mediation fees shall be shared equally by the DEVELOPER and the DISTRICT.

IN WITNESS WHEREOF, the parties have executed is Agreement to be effective on the day and year first above written.

YUCAIPA VALLEY WATER DISTRICT

Dated: _____

By: _____
Lonni Granlund, Board President

DEVELOPER:

Dated: 10/12/16

By: Mark Boyle MISTK Homes
Mark Boyle
Print Name
member partner
Print Title



Date: November 1, 2016

Prepared By: Joseph Zoba, General Manager

Subject: Execution of an Updated Professional Services Agreement with RMC Water and Environment

Recommendation: That the Board approves the Master Professional Services Agreement

A revised professional services agreement should be executed with RMC Water and Environment to meet the updated District standard agreement. This updated master agreement will not impact any existing task orders or contracts.

Board Reports



Yucaipa Valley Water District

Director Comments



Yucaipa Valley Water District



FACTS ABOUT THE YUCAIPA VALLEY WATER DISTRICT

Service Area Size: 40 square miles (sphere of influence is 68 square miles)

Elevation Change: 3,140 foot elevation change (from 2,044 to 5,184 feet)

Number of Employees: 5 elected board members
62 full time employees

Operating Budget: Water Division - \$13,397,500
Sewer Division - \$11,820,000
Recycled Water Division - \$537,250
Total Annual Budget - \$25,754,750

Number of Services: 12,434 water connections serving 17,179 units
13,559 sewer connections serving 20,519 units
64 recycled water connections

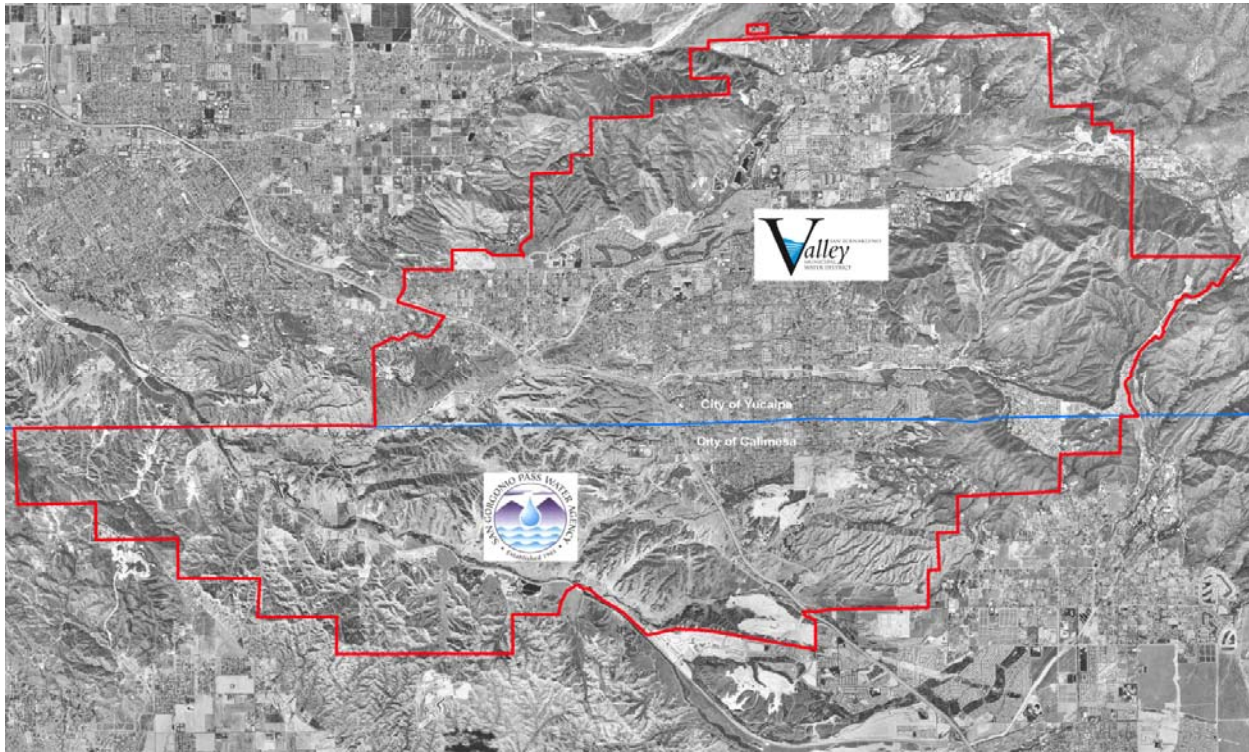
Water System: 215 miles of drinking water pipelines
27 reservoirs - 34 million gallons of storage capacity
18 pressure zones
12,000 ac-ft annual water demand (3.9 billion gallons)
Two water filtration facilities:
- 1 mgd at Oak Glen Surface Water Filtration Facility
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

Sewer System: 8.0 million gallon treatment capacity - current flow at 4.0 mgd
205 miles of sewer mainlines
5 sewer lift stations
4,500 ac-ft annual recycled water prod. (1.46 billion gallons)

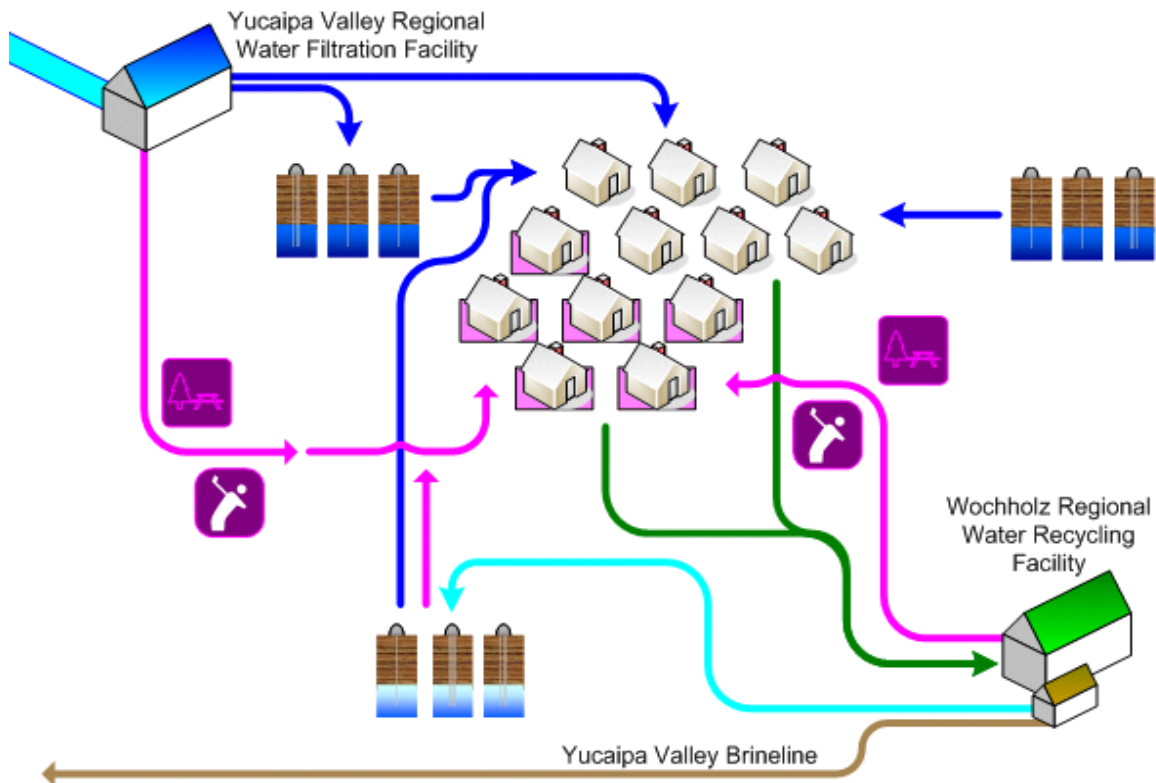
Recycled Water: 22 miles of recycled water pipelines
5 reservoirs - 12 million gallons of storage
1,200 ac-ft annual recycled demand (0.4 billion gallons)

Brine Disposal: 2.2 million gallon desalination facility at sewer treatment plant
1.108 million gallons of Inland Empire Brine Line capacity
0.295 million gallons of treatment capacity in Orange County

State Water Contractors: San Bernardino Valley Municipal Water District
San Geronimo Pass Water Agency



Sustainability Plan: A Strategic Plan for a Sustainable Future: The Integration and Preservation of Resources, adopted on August 20, 2008.





THE MEASUREMENT OF WATER PURITY

One part per hundred is generally represented by the percent (%).
This is equivalent to about fifteen minutes out of one day.

One part per thousand denotes one part per 1000 parts.
This is equivalent to about one and a half minutes out of one day.

One part per million (ppm) denotes one part per 1,000,000 parts.
This is equivalent to about 32 seconds out of a year.

One part per billion (ppb) denotes one part per 1,000,000,000 parts.
This is equivalent to about three seconds out of a century.

One part per trillion (ppt) denotes one part per 1,000,000,000,000 parts.
This is equivalent to about three seconds out of every hundred thousand years.

One part per quadrillion (ppq) denotes one part per 1,000,000,000,000,000 parts.
This is equivalent to about two and a half minutes out of the age of the Earth (4.5 billion years).





GLOSSARY OF COMMONLY USED TERMS

Every profession has specialized terms which generally evolve to facilitate communication between individuals. The routine use of these terms tends to exclude those who are unfamiliar with the particular specialized language of the group. Sometimes jargon can create communication cause difficulties where professionals in related fields use different terms for the same phenomena.

Below are commonly used water terms and abbreviations with commonly used definitions. If there is any discrepancy in definitions, the District's Regulations Governing Water Service is the final and binding definition.

Acre Foot of Water - The volume of water (325,850 gallons, or 43,560 cubic feet) that would cover an area of one acre to a depth of 1 foot.

Activated Sludge Process – A secondary biological sewer treatment process where bacteria reproduce at a high rate with the introduction of excess air or oxygen, and consume dissolved nutrients in the wastewater.

Annual Water Quality Report - The document is prepared annually and provides information on water quality, constituents in the water, compliance with drinking water standards and educational material on tap water. It is also referred to as a Consumer Confidence Report (CCR).

Aquifer - The natural underground area with layers of porous, water-bearing materials (sand, gravel) capable of yielding a supply of water; see Groundwater basin.

Backflow - The reversal of water's normal direction of flow. When water passes through a water meter into a home or business it should not reverse flow back into the water mainline.

Best Management Practices (BMPs) - Methods or techniques found to be the most effective and practical means in achieving an objective. Often used in the context of water conservation.

Biochemical Oxygen Demand (BOD) – The amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

Biosolids – Biosolids are nutrient rich organic and highly treated solid materials produced by the sewer treatment process. This high-quality product can be used as a soil amendment on farm land or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

Catch Basin – A chamber usually built at the curb line of a street, which conveys surface water for discharge into a storm sewer.

Capital Improvement Program (CIP) – Projects for repair, rehabilitation, and replacement of assets. Also includes treatment improvements, additional capacity, and projects for the support facilities.

Collector Sewer – The first element of a wastewater collection system used to collect and carry wastewater from one or more building sewer laterals to a main sewer.

Coliform Bacteria – A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere and is generally used as an indicator of sewage pollution.

Combined Sewer Overflow – The portion of flow from a combined sewer system, which discharges into a water body from an outfall located upstream of a wastewater treatment plant, usually during wet weather conditions.

Combined Sewer System– Generally older sewer systems designed to convey both sewage and storm water into one pipe to a wastewater treatment plant.

Conjunctive Use - The coordinated management of surface water and groundwater supplies to maximize the yield of the overall water resource. Active conjunctive use uses artificial recharge, where surface water is intentionally percolated or injected into aquifers for later use. Passive conjunctive use is to simply rely on surface water in wet years and use groundwater in dry years.

Consumer Confidence Report (CCR) - see Annual Water Quality Report.

Cross-Connection - The actual or potential connection between a potable water supply and a non-potable source, where it is possible for a contaminant to enter the drinking water supply.

Disinfection By-Products (DBPs) - The category of compounds formed when disinfectants in water systems react with natural organic matter present in the source water supplies. Different disinfectants produce different types or amounts of disinfection byproducts. Disinfection byproducts for which regulations have been established have been identified in drinking water, including trihalomethanes, haloacetic acids, bromate, and chlorite

Drought - a period of below average rainfall causing water supply shortages.

Dry Weather Flow – Flow in a sanitary sewer during periods of dry weather in which the sanitary sewer is under minimum influence of inflow and infiltration.

Fire Flow - The ability to have a sufficient quantity of water available to the distribution system to be delivered through fire hydrants or private fire sprinkler systems.

Gallons per Capita per Day (GPCD) - A measurement of the average number of gallons of water use by the number of people served each day in a water system. The calculation is made by dividing the total gallons of water used each day by the total number of people using the water system.

Groundwater Basin - An underground body of water or aquifer defined by physical boundaries.

Groundwater Recharge - The process of placing water in an aquifer. Can be a naturally occurring process or artificially enhanced.

Hard Water - Water having a high concentration of minerals, typically calcium and magnesium ions.

Hydrologic Cycle - The process of evaporation of water into the air and its return to earth in the form of precipitation (rain or snow). This process also includes transpiration from plants, percolation into the ground, groundwater movement, and runoff into rivers, streams and the ocean; see Water cycle.

Infiltration – Water other than sewage that enters a sewer system and/or building laterals from the ground through defective pipes, pipe joints, connections, or manholes. Infiltration does not include inflow. See *Inflow*.

Inflow - Water other than sewage that enters a sewer system and building sewer from sources such as roof vents, yard drains, area drains, foundation drains, drains from springs and swampy areas, manhole covers, cross connections between storm drains and sanitary sewers, catch basins, cooling towers, storm waters, surface runoff, street wash waters, or drainage. Inflow does not include infiltration. See *Infiltration*.

Inflow / Infiltration (I/I) – The total quantity of water from both inflow and infiltration.

Mains, Distribution - A network of pipelines that delivers water (drinking water or recycled water) from transmission mains to residential and commercial properties, usually pipe diameters of 4" to 16".

Mains, Transmission - A system of pipelines that deliver water (drinking water or recycled water) from a source of supply the distribution mains, usually pipe diameters of greater than 16".

Meter - A device capable of measuring, in either gallons or cubic feet, a quantity of water delivered by the District to a service connection.

Overdraft - The pumping of water from a groundwater basin or aquifer in excess of the supply flowing into the basin. This pumping results in a depletion of the groundwater in the basin which has a net effect of lowering the levels of water in the aquifer.

Peak Flow – The maximum flow that occurs over a specific length of time (e.g., daily, hourly, instantaneously).

Pipeline - Connected piping that carries water, oil or other liquids. See Mains, Distribution and Mains, Transmission.

Point of Responsibility, Metered Service - The connection point at the outlet side of a water meter where a landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

Potable Water - Water that is used for human consumption and regulated by the California Department of Public Health.

Pressure Reducing Valve - A device used to reduce the pressure in a domestic water system when the water pressure exceeds desirable levels.

Pump Station - A drinking water or recycled water facility where pumps are used to push water up to a higher elevation or different location.

Reservoir - A water storage facility where water is stored to be used at a later time for peak demands or emergencies such as fire suppression. Drinking water and recycled water systems will typically use concrete or steel reservoirs. The State Water Project system considers lakes, such as Shasta Lake and Folsom Lake to be water storage reservoirs.

Runoff - Water that travels downward over the earth's surface due to the force of gravity. It includes water running in streams as well as over land.

Sanitary Sewer System - Sewer collection system designed to carry sewage, consisting of domestic, commercial, and industrial wastewater. This type of system is not designed nor intended to carry water from rainfall, snowmelt, or groundwater sources. See *Combined Sewer System*.

Sanitary Sewer Overflow – Overflow from a sanitary sewer system caused when total wastewater flow exceeds the capacity of the system. See *Combined Sewer Overflow*.

Santa Ana River Interceptor (SARI) Line – A regional brine line designed to convey 30 million gallons per day of non-reclaimable wastewater from the upper Santa Ana River basin to the sewer treatment plant operated by Orange County Sanitation District.

Secondary Treatment – Biological sewer treatment, particularly the activated-sludge process, where bacteria and other microorganisms consume dissolved nutrients in wastewater.

Supervisory Control and Data Acquisition (SCADA) - A computerized system which provides the ability to remotely monitor and control water system facilities such as reservoirs, pumps and other elements of water delivery.

Service Connection - The water piping system connecting a customer's system with a District water main beginning at the outlet side of the point of responsibility, including all plumbing and equipment located on a parcel required for the District's provision of water service to that parcel.

Sludge – Untreated solid material created by the treatment of sewage.

Smart Irrigation Controller - A device that automatically adjusts the time and frequency which water is applied to landscaping based on real-time weather such as rainfall, wind, temperature and humidity.

Special District - A political subdivision of a state established to provide a public services, such as water supply or sanitation, within a specific geographic area.

Surface Water - Water found in lakes, streams, rivers, oceans or reservoirs behind dams.

Total Suspended Solids (TSS) – The amount of solids floating and in suspension in water or sewage.

Transpiration - The process by which water vapor is released into the atmosphere by living plants.

Trickling Filter – A biological secondary treatment process in which bacteria and other microorganisms, growing as slime on the surface of rocks or plastic media, consume nutrients in primary treated sewage as it trickles over them.

Underground Service Alert (USA) - A free service that notifies utilities such as water, telephone, cable and sewer companies of pending excavations within the area (dial 8-1-1 at least 2 working days before you dig).

Urban Runoff - Water from city streets and domestic properties that typically carries pollutants into the storm drains, rivers, lakes, and oceans.

Valve - A device that regulates, directs or controls the flow of water by opening, closing or partially obstructing various passageways.

Wastewater – Any water that enters the sanitary sewer.

Water Banking - The practice of actively storing or exchanging in-lieu surface water supplies in available groundwater basin storage space for later extraction and use by the storing party or for sale or exchange to a third party. Water may be banked as an independent operation or as part of a conjunctive use program.

Water cycle - The continuous movement water from the earth's surface to the atmosphere and back again; see Hydrologic cycle.

Water Pressure - Pressure created by the weight and elevation of water and/or generated by pumps that deliver water to the tap.

Water Service Line - The pipeline that delivers potable water to a residence or business from the District's water system. Typically the water service line is a 1" to 1½" diameter pipe for residential properties.

Watershed - A region or land area that contributes to the drainage or catchment area above a specific point on a stream or river.

Water Table - The upper surface of the zone of saturation of groundwater in an unconfined aquifer.

Water Transfer - A transaction, in which a holder of a water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water under that water right or entitlement.

Water Well - A hole drilled into the ground to tap an underground water aquifer.

Wetlands - Lands which are fully saturated or under water at least part of the year, like seasonal vernal pools or swamps.

Wet Weather Flow – Dry weather flow combined with stormwater introduced into a combined sewer system, and dry weather flow combined with infiltration/inflow into a separate sewer system.





COMMONLY USED ABBREVIATIONS

AQMD	Air Quality Management District
BOD	Biochemical Oxygen Demand
CARB	California Air Resources Board
CCTV	Closed Circuit Television
CWA	Clean Water Act
EIR	Environmental Impact Report
EPA	U.S. Environmental Protection Agency
FOG	Fats, Oils, and Grease
GPD	Gallons per day
MGD	Million gallons per day
O & M	Operations and Maintenance
OSHA	Occupational Safety and Health Administration
POTW	Publicly Owned Treatment Works
PPM	Parts per million
RWQCB	Regional Water Quality Control Board
SARI	Santa Ana River Inceptor
SAWPA	Santa Ana Watershed Project Authority
SBVMWD	San Bernardino Valley Municipal Water District
SCADA	Supervisory Control and Data Acquisition system
SSMP	Sanitary Sewer Management Plan
SSO	Sanitary Sewer Overflow
SWRCB	State Water Resources Control Board
TDS	Total Dissolved Solids
TMDL	Total Maximum Daily Load
TSS	Total Suspended Solids
WDR	Waste Discharge Requirements
YVWD	Yucaipa Valley Water District