

Notice and Agenda of a Board Workshop

Tuesday, April 24, 2018 at 4:00 p.m.

MEETING LOCATION: District Administration Building

12770 Second Street, Yucaipa

MEMBERS OF THE BOARD: Director Chris Mann, Division 1

Director Bruce Granlund, Division 2

Director Jay Bogh, Division 3

Director Lonni Granlund, Division 4 Director Tom Shalhoub, Division 5

- I. Call to Order
- **II. Public Comments** At this time, members of the public may address the Board of Directors on matters within its jurisdiction; however, no action or significant discussion may take place on any item not on the meeting agenda.
- III. Staff Report
- IV. Strategic Planning
 - A. Discussion of the Strategic Planning Goal of Implementing Groundwater Recharge Projects in the District's Service Area [Workshop Memorandum No. 18-112 Page 5 of 114]
- V. Operational Updates
 - A. Status Report of the Automated Meter Infrastructure (AMI) Installation and Activation Projections [Workshop Memorandum No. 18-113 Page 10 of 114]

VI. Capital Improvement Projects

- A. Status Report on the 5th Street Widening Project [Workshop Memorandum No. 18-114 Page 14 of 114]
- B. Status Report on the Emergency Repairs for Drinking Water Reservoir 17.1.1 [Workshop Memorandum No. 18-115 Page 20 of 114]
- C. Status Report on the Annual Repairs and Rehabilitation of the Yucaipa Valley Regional Water Filtration Facility [Workshop Memorandum No. 18-116 Page 21 of 114]

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

Materials that are provided to the Board of Directors after the meeting 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

VII. Public Policy

- A. Discussion Regarding Draft Resolution No. 2018-xx Establishing a Development Policy Related to Accessory Dwelling Units and Other Multiple Unit Developments [Workshop Memorandum No. 18-117 Page 24 of 114]
- B. Discussion Regarding Draft Resolution No. 2018-xx Updating the Water Meter Installation Fees for Drinking Water and Recycled Water and Identifying the Use of 50" Water Meter Boxes for Drinking Water and Recycled Water Infrastructure [Workshop Memorandum No. 18-118 - Page 25 of 114]

VIII. Development Projects

- A. Overview of a Proposed Development Agreement with Western Pacific Housing for the Development of 121 lots in Calimesa Portions of Tract Nos. 26925, 30386, and 30386-1 [Workshop Memorandum No. 18-119 Page 37 of 114]
- B. Overview of a Proposed Development Agreement with Lennar Homes for the Summerwind Development Calimesa [Workshop Memorandum No. 18-120 Page 54 of 114]
- C. Overview of a Proposed Development Agreement for a Commercial Carwash on Yucaipa Boulevard, Yucaipa [Workshop Memorandum No. 18-121 Page 58 of 114]

IX. Administrative Items

- A. Review of Amendment No. 2 to SRF Loan-Brineline- Agreement No. 09-864-550 [Workshop Memorandum No. 18-122 Page 75 of 114]
- B. Review of a Proposal for Environmental Liability Insurance for Sewer and Brineline Operations [Workshop Memorandum No. 18-123 Page 86 of 114]
- C. Consideration of Resolution No. 2018-xx Supporting the Application for a Water and Energy Efficiency Grant from the Bureau of Reclamation [Workshop Memorandum No. 18-124 Page 103 of 114]

X. Director Comments

XI. Closed Session

A. Conference with Real Property Negotiator(s) (Government Code 54956.8)
 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

XII. Adjournment

Staff Report



Strategic Planning





Date: April 24, 2018

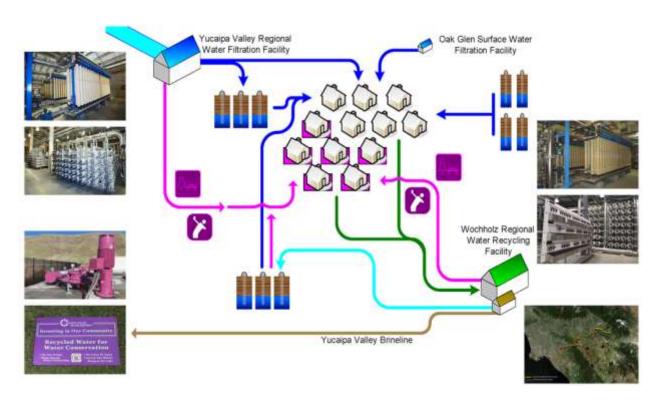
From: Joseph Zoba, General Manager

Subject: Discussion of the Strategic Planning Goal of Implementing Groundwater Recharge

Projects in the District's Service Area

Over the past several decades, the Yucaipa Valley Water District has embarked on a series of capital improvement projects that have created integrated systems of drinking water, recycled water, sewer treatment, and brine disposal facilities. The integration of these facilities has set the Yucaipa Valley Water District on a course to sustainably maintain exceptionally pure and renewable water resources.

Sustainable and Integrated Infrastructure Concepts



In preparation for the next decade of projects, the Board of Directors of the Yucaipa Valley Water District has embarked on a strategic planning process that set priorities for future capital improvement projects. These improvements will be structured to provide additional supplies of high quality water for future use within our community and make the District more sustainable and resilient.

Strategic Planning Priorities by the Board of Directors (not in order of priority):

- Direct Potable Reuse Plan and evaluate the opportunities and constraints related to implementation of direct potable reuse facilities. This strategic goal will involve the Salinity and Groundwater Enhancement (SAGE) project at the Wochholz Regional Water Recycling Facility; the Salinity Concentrate Reduction and Minimization (SCRAM) Project at the Yucaipa Valley Regional Water Filtration Facility; and may include a new water filtration facility at the Wochholz Regional Water Recycling Facility. This strategic priority was established by the Board of Directors on March 8, 2018.
- Indirect Potable Reuse Plan and evaluate the opportunities and constraints related to implementation of indirect potable reuse. This strategic goal will involve the recharge of recycled water at various locations throughout the District's service area which will also involve the development of recharge facilities. This strategic priority was established by the Board of Directors on March 8, 2018.
- Energy Efficiency Projects Plan and evaluate the opportunities and constraints related to implementation of solar, microturbines, biogas, and other technologies to stabilize energy expenses. This strategic goal will likely involve the investigation of innovative technologies and programs to become more energy efficient. This strategic priority was established by the Board of Directors on March 8, 2018.
- Consolidation of District Facilities Plan and evaluate the opportunities and constraints
 related to the colocation and consolidation of District offices and work areas to be in close
 proximity of existing operational areas. This strategic goal will likely involve the relocation of
 the District office on Second Street to an area near the Wochholz Regional Water Recycling
 Facility. This strategic priority was established by the Board of Directors on March 8, 2018.
- Beaumont Basin Recharge Facilities Plan and evaluate the opportunities and constraints
 related to the construction of recharge facilities in the Beaumont Basin to maximize the
 operational efficiency of groundwater within the Beaumont adjudication area. This strategic
 priority was established by the Board of Directors on March 8, 2018.
- **Public Relations and Outreach** Plan and implement a program to gain and enhance the District's presence involving:
 - Social media:
 - Website refresh and upgrades:
 - Video clips:
 - Summary of the District's operations;
 - Historical information; and
 - Near real-time press releases.

This strategic priority was established by the Board of Directors on March 8, 2018.





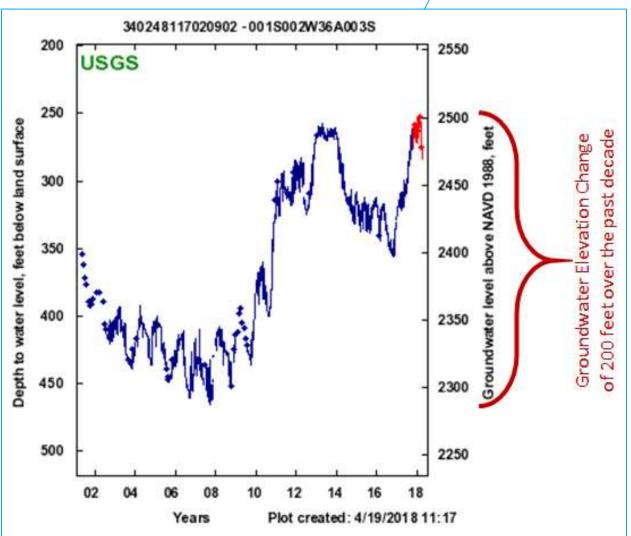


As a result of the Strategic Planning Workshop, the District staff has been developing conceptual plans for increasing groundwater recharge in our service area.

The inspiration for developing additional recharge areas is based on the successful results of groundwater recharge in the Wilson Creek area where USGS groundwater monitoring wells are indicating an increase in groundwater elevations of about 200 feet over the past decade. The additional water placed into storage will make our community more resilient to droughts, climatic variation, and other stresses on water resources.

The purpose of this agenda item is to present and discuss additional groundwater recharge opportunities to determine if this goal should be added to the strategic planning goals set by the Board of Directors.





Operational Updates





Date: April 24, 2018

From: Matthew Porras, Management Analyst

Subject: Status Report of the Automated Meter Infrastructure (AMI) Installation and

Activation Projections

The Automated Meter Infrastructure (AMI) is the system that is capable of reading water meters, identifying leaks and backflow conditions, and compiling drinking water / recycled water consumption data using radio frequency communications.

Project Status: The installation of three strategically located base-stations is now essentially complete. Two of the three locations had existing electrical service and are fully operational. The third location will need an electrical service to make the base-station operational, a project that is currently



being designed. The District staff is ready to begin the installations of the endpoint equipment to remotely read water meters throughout the service area.

Endpoint Installation: The endpoint is comprised of two pieces, the AMI capable meter and the radio transceiver. To complete the installation of the radio transceiver, the meter box will be modified to accommodate a flush mount configuration. The service area has approximately 40% of the AMI capable meters already installed and will just need a radio transceiver and meter box lid modification (Retro-Fit). The remaining water services that do not already have an AMI capable meter installed will receive an AMI capable meter, radio transceiver, and meter box lid modification (Replacement). All endpoints will be programmed at the time of installation to eliminate an additional step of completion. District staff will be performing the endpoint installations.

Project Projections: The task of installing 12,600 endpoints will take approximately seven (7) years if the District staff installs 1,800 endpoints per year, 150 per month. The cost of the AMI equipment, not including the lid modifications, is identified in the table below. The costs are derived from Aqua Metric our local authorized Sensus equipment supplier. The costs in the table are subject to change over the duration of the project.

AMI Capable Meter	Radio Transceiver	Quarterly Cost	Annual Cost	Total Cost
\$118.20	\$148.75	\$91,229	\$364,916	\$2,554,418

The suggested schedule developed by the District staff is provided as a recommendation for budget purposes and aligns with current staff levels. As budget, staffing levels, or direction by the Board of Directors change, the projections will be adjusted accordingly.

Financial Consideration

Funding for this project will be from the Water Fund, Infrastructure Reserves [GL Account #02-10311]. This project will be included in the 2018-19 proposed budget as a Capital Improvement Project. There is sufficient funding available in the reserve fund listed above.

	AMI Project - Projected/Estimated	d Meter Ap	purtenanc	e Quantit	ies		
Action	Description	Qu	arterly I	nstall Ra	ite	2018 Estimates	
		Q-1	Q-2	Q-3	Q-4	fsti,	
Retro-Fit	Radio Transceiver	300	300	300	300	18/2	
Replacement	AMI Capable Meter and Radio Transceiver	150	150	150	150	2	
Endpoint Installations		450	450	450	450	1,800	
Action	Description		arterly I		ite	-2019 Estimates	
	·	Q-1	Q-2	Q-3	Q-4	Stin	
Retro-Fit	Radio Transceiver	300	300	300	300	67	
Replacement	AMI Capable Meter and Radio Transceiver	150	150	150	150	30	
	Endpoint Installations	450		450		1 200	
Action	Description		arterly I			-2020 Estimates	
	·	Q-1	Q-2	Q-3	Q-4	Stin	
Retro-Fit	Radio Transceiver	300	300	300	300	308	
Replacement	AMI Capable Meter and Radio Transceiver	150	150	150	150	50	
	Endpoint Installations	450	450	450	450	1 200	
Action	Description	Quarterly Install Rate			2021 Estimates		
Action	Bescription	Q-1	Q-2	Q-3	Q-4	din.	
Retro-Fit	Radio Transceiver	300	300	300	300	77	
Replacement	AMI Capable Meter and Radio Transceiver	150	150	150	150	202	
Endpoint Installations		450	450	450	450	1 200	
Action	Description	Quarterly Install Rate			-202 Estimates		
	2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 -	Q-1	Q-2	Q-3	Q-4	Sin	
Retro-Fit	Radio Transceiver	200	0	0	0	<i>S</i>	
Replacement	AMI Capable Meter and Radio Transceiver	400	400	400	400	\$0	
	Endpoint Installations	600	400	400	400	1,800	
Action	Description	Qu	arterly I	nstall Ra	ite	s Estimates	
	2	Q-1	Q-2	Q-3	Q-4	Stin	
Retro-Fit	Radio Transceiver	0	0	0	0	38602	
Replacement	AMI Capable Meter and Radio Transceiver	450	450	450	450	30	
	Endpoint Installations	450	450	450	450	1,800	
Action Description		Qu	arterly I	nstall Ra	ite	-2024 Estimates	
	 	Q-1	Q-2	Q-3	Q-4	Stin	
Retro-Fit	Radio Transceiver	0	0	0	0	24	
Replacement	AMI Capable Meter and Radio Transceiver	450	450	450	450	50	
	Endpoint Installations	450	450	450	450	1,800	
Total Installations 2018-2024					12,600		

Capital Improvement Projects





Date: April 24, 2018

From: Matthew Porras, Management Analyst

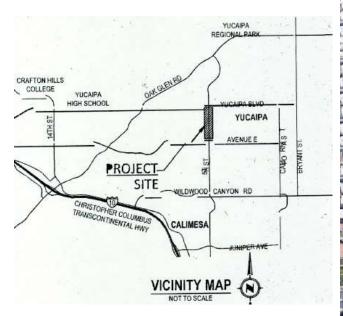
Subject: Status Report on the 5th Street Widening Project

The City of Yucaipa is in the process of making street improvements to 5th Street, west of Yucaipa Boulevard and north of Avenue E. The project includes widening of the roadway, installing curb and gutter, and adding sidewalks. The project will require relocation of utilities including Recycled Water, Drinking Water, and Sewer.

The District staff has been working closely with the City of Yucaipa to develop an agreement to define cost sharing opportunities.

Financial Consideration

The proposed contribution by the District for this project is detailed in the attached agreement and related email message.





From: Landon Kern < lkern@yucaipa.org>
Sent: Thursday, April 19, 2018 2:48 PM
To: Matthew Porras < mporras@yvwd.us>

Cc: Chuck Collett < ccollett@Yucaipa.org >; John Ruggs < jruggs@Yucaipa.org >

Subject: RE: 5th Street Agreement and Temporary Non-Potable Water Use Agreement

Importance: High

Matt,

To accompany the latest version of the agreement I have revisited the cost breakdown previously provide in the email below and revised it as follows;

Change Order TOTAL – Water Services – Re-Plumbed services only	\$61,320
Proposed/Estimated CITY Share of Re-Plumbing (50%)	
Proposed/Estimated DISTRICT Share of Re-Plumbing (50%)	\$30,660

Change Order Proposal TOTAL – Sewer Lateral Protection	\$30,000
Proposed/Estimated CITY Share of Sewer lateral protection (0%)	
Proposed/Estimated DISTRICT Share of Sewer lateral protection ((100%) \$30,000

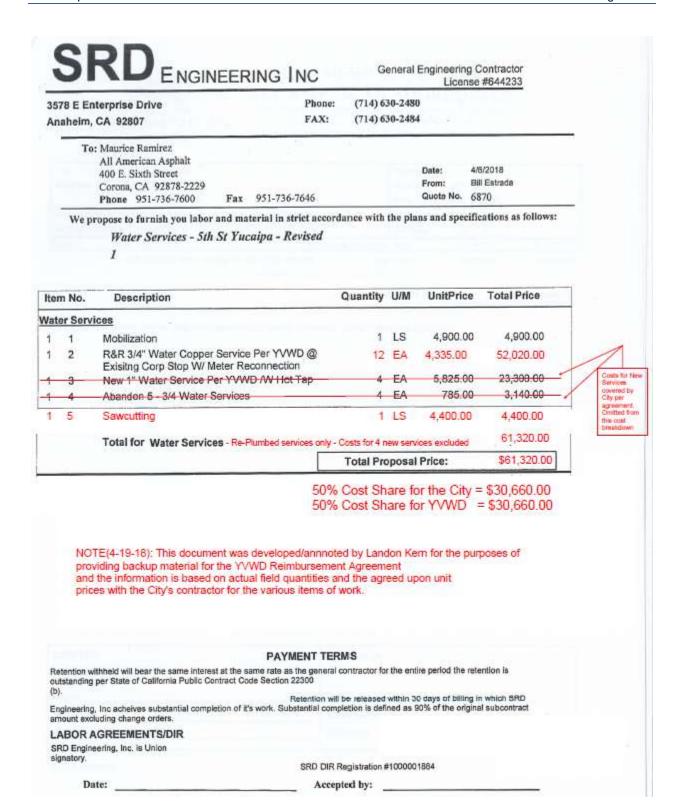
Proposed/Estimated DISTRICT Share of Re-Plumbing (50%)		
Proposed/Estimated DISTRICT Share of Sewer lateral protection (100%)		
TOTAL DISTRICT COST SHARE REIMBURSEMENT TO THE CITY	\$60,660	

The attached PDF shows the quotes we originally got for this additional work with the agreed unit prices for the various items and my notes in red to reflect the actual field quantities and costs. As a side note, 2 of the 12 water services re-plumbed will be constructed later in the project, the rest of the water/sewer work has already been completed to date.

Please let me know if you have any questions and provide your anticipated schedule to get Joe's signature so I can come by to pick that up when it's ready.

Thanks,

Landon Kern, P.E. Senior Engineer City of Yucaipa (909) 797-2489 Ext. 288

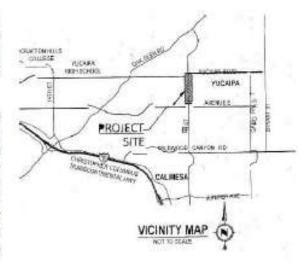


Phone 951-736-7600 Fax 951-736-7646 Quote No. 688 We propose to furnish you labor and material in strict accordance with the plans and specifical COR-5th St. Sewer Laterals-Yucaipa - Revision 1 Item No. Description Quantity U/M UnitPrice Mobilization 1 6" P401 Lined DIP Sewer Lateral Extention W/ 5 A EA 6,000.00 Cleanout Total for Mobilization Total Proposal Price: Quotation Note: Seneral and special conditions per contract # 29946.07 NOTE(4-19-18): This document was developed/annnoted by Landon Kern for the purposproviding backup material for the YVWD Reimbursement Agreement	Estrada 6
All American Asphalt 400 E. Sixth Street Corona, CA 92878-2229 Phone 951-736-7600 Fax 951-736-7646 We propose to furnish you labor and material in strict accordance with the plans and specifical COR-5th St. Sewer Laterals-Yucaipa - Revision 1 Item No. Description Quantity U/M UnitPrice Composition	Total Price -24,900.00 -\$24,000.00
Item No. Description Quantity U/M UnitPrice	Total Price -24,000:00- 30,000:00 -\$24,000:00
Individual condition Individual condition	-24,900.00 30,000.00 -\$24,000.00 \$24,000.00
1 1 6" P401 Lined DIP Sewer Lateral Extention W/ Cleanout Total for Mobilization Total Proposal Price: Quotation Note: Seneral and special conditions per contract # 29946.07 100 % YVWD Cost Share = \$3 NOTE(4-19-18): This document was developed/annnoted by Landon Kern for the purpor providing backup material for the YVWD Reimbursement Agreement	\$24,000.00 \$24,000.00
Total Proposal Price: Quotation Note: Seneral and special conditions per contract # 29946.07 100 % YVWD Cost Share = \$3 NOTE(4-19-18): This document was developed/annoted by Landon Kern for the purpose providing backup material for the YVWD Reimbursement Agreement	\$24,000.00
NOTE(4-19-18): This document was developed/annoted by Landon Kern for the purpor providing backup material for the YVWD Reimbursement Agreement	
eneral and special conditions per contract # 29945.07 100 % YVWD Cost Share = \$3 NOTE(4-19-18): This document was developed/annoted by Landon Kern for the purpor providing backup material for the YVWD Reimbursement Agreement	\$30,000.00
and the information is based on actual field quantities and the agreed upon unit prices with the City's contractor for the various items of work.	ANTANA SALUH
PAYMENT TERMS Retention withheld will bear the same interest at the same rate as the general contractor for the entire period the retenuoustanding per State of California Public Contract Code Section 22300 (b). Retention will be released within 30 days of billing in	
Engineering, Inc acheives substantial completion of it's work. Substantial completion is defined as 90% of the original amount excluding change orders.	
LABOR AGREEMENTS/DIR	
SRD Engineering, Inc. is Union signatory.	
SRD Dir Registration #1000001884 Date: Accepted by:	

Agreement by and between the City of Yucaipa and Yucaipa Valley Water District for the 5th Street Widening Project

The City of Yucaipa, a Municipal Corporation, hereinafter referred to as "City", and Yucaipa Valley Water District, a Special District, hereinafter referred to as "District", hereby mutually agree as follows;

A. Purpose of Agreement: The City is in the process of constructing street and sidewalk improvements on 5th Street from Yucaipa Boulevard south to Avenue E. There are numerous appurtenances that will require relocation and/or replacement within this project. The District has identified 16 water services and 5 sewer services in conflict. In addition to the appurtenances in conflict, an isolation valve will need to be relocated.



B. Scope of Agreement: The Scope of the Agreement includes:

- The District, at their cost, will provide water meters, meter and sewer cleanout boxes.
- 2. The City, at their cost, shall replace four (4) water services, as required, from the water mainline in 5th Street to the meter with 1" copper, install the provided meter and meter box, and abandon the existing service and connection on the mainline per District Standards. These four (4) new water services are located at the following addresses; 12436 5th St (two (2) replaced at this address), 12154 5th St and 34309 Yucaipa Blvd.
- 3. The City shall re-plumb twelve (12) water services, as required, from the water mainline in 5th Street to the meter with 3/4" copper and install the provided meter and meter box per District Standards. The costs for these re-plumbed water services shall be shared between the City and the District. The City's share of these costs shall be 50%, and the Districts share of these costs shall be 50%. These twelve (12) re-plumbed water services are located at the following addresses on 5th Street; 12476, 12456, 12414 (two (2) re-plumbed at this address), 12237, 12225, 12215, 12203, 12203-B, 12189, 12157, and 12167.
- The District, at their cost, shall protect five (5) sewer laterals, as required. These five (5) sewer laterals are located at the following addresses on 5th Street; 12215, 12225, 12203, 12203-B and 12167.
- The District, at their cost, will relocate the 8" isolation valve that conflicts with the project.
- The District, at their cost, shall provide inspection of the service installations at no cost to the City.
- The District shall pay to the City \$60,660 for the work completed on District's behalf and for District's benefit.

C. <u>Future Precedence</u> : This agreement and the work and not to be used as the basis of future agreement must consider the specific project	re agreements. Each future cost sharing
IN WITNESS WHEREOF, the City of Yucaipa a executed this Agreement the day and year first	
The City and District hereby agree to the full per contained herein.	rformance of the covenants and conditions
City of Yucaipa	Yucaipa Valley Water District
Ray Casey, City Manager	Joseph Zoba, General Manager
Date	Date



Date: April 24, 2018

From: Mike Kostelecky, Operations Manager

Subject: Status Report on the Emergency Repairs for Drinking Water Reservoir 17.1.1

On November 21, 2017, the Board of Directors authorized emergency coating repairs for drinking water reservoir R-17.1.1 with Superior Tank Solutions [Director Memorandum No. 17-108].

On Monday, January 29, 2018, Superior Tank Solutions began repairs. Upon removing the coal tar enamel from the floor, it was evident that the floor needed replacement, not repair. The existing floor consists of numerous welded patches in various sizes and thousands of pits from erosion. This metal has been worn thin and is now a liability to the District. The side shell had approximately ten holes that have since been repaired.

At the board meeting on February 20, 2018, the Board of Directors ratified the authorization for Superior Tank Solutions to proceed with the necessary repair work [Director Memorandum No. 18-033].



The purpose of this agenda item is to provide an update on the status of the repairs and give a timeline for the return of service.



Completed repairs to date:

- Inside coating
- New floor
- New roof hatch and vent
- Influent/effluent pipe welding
- Isolation valve installed
- Chime bands installed
- Filled with 2 ft of water and adjusted to eliminate leaks
- Coating integrity/thickness verified

By the end of April, the reservoir will be disinfected, drained, filled, and then two series of bacteriological samples will be collected before returning to service in the drinking water distribution system.



Director Memorandum 18-116

Date: April 24, 2018

From: Mike Kostelecky, Operations Manager

Subject: Status Report on the Annual Repairs and Rehabilitation of the Yucaipa Valley

Regional Water Filtration Facility



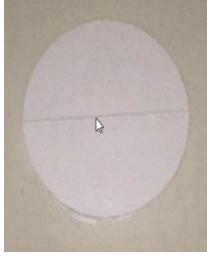
Each year the District staff takes the Yucaipa Valley Regional Water Filtration Facility (YVRWFF) out of service to perform routine inspections and repairs of the facility. In some instances, this opportunity to inspect the facility has resulted in unexpected repairs that need to be completed promptly to prepare the drinking water facility for summertime operation.

The purpose of this agenda item is to discuss the status and schedule of the anticipated repairs.

On March 20, 2018, the Board of Directors ratified the process plumbing repairs of the YVRWFF with W.M. Lyles Co. for a sum not to exceed \$43,600 [Director Memorandum No. 18-049]. The work was completed within one week and included all new chemical and containment piping.

Upon dewatering the blending structure, staff discovered two flanges with coating failure. Additionally, staff identified fifteen feet of the combined plant effluent pipe and fifteen feet of the influent nanofiltration pipe that was in need of recoating. Joe Colon Coatings, Inc. completed the work in one week for a sum not to exceed \$11,700.







The Yucaipa Valley Regional Water Filtration Facility repairs and maintenance are nearing completion and is scheduled to be on line May 1 at 8:00 A.M.



SOP

April 17, 2018

YVRWFF 2018 Maintenance Task List

This SOP will serve as a check list to ensure that all required process equipment receives yearly maintenance when the plant is off-line during the annual plant shut down.

- 1. Perform CIP on each Micro rack the week prior to shut down. Week of 2/26/18
- Preserve Micro filtration racks. 2/28/18
- Preserve Nano filtration trains. 2/28/18
- Close inlet valves at Auto strainers and power off local controls. 3/1/18
- Exercise all filtration facility valves. 4/16/18
- Drain and wash down DAF units 1 & 2. 3/7/18
- 7. Disassemble and inspect the DAF unit's air blending chamber float. Expected parts delivery, mid-June
- Inspect CPE line and the 48" MF feed line. 3/22/18
- Drain and inspect the blending structure. painting complete 4/6/18
- Inspect and repair chlorine storage and isolation valves. 4/4/18
- 11. Inspect and perform annual maintenance on Kinne strainers per CMMS.
- 12. Clean and inspect CIP waste sump. Schedule with EC. 3/15/18
- 13. Pump septic lift station. Schedule with EC. 3/15/18
- 14. MF Caustic tank remove hatch, clean/inspect. Schedule with EC. 3/16/18
- 15. MF Acid tank remove hatch, clean/inspect. Schedule with EC. 3/16/18
- 16. NF CIP tank remove hatch, clean/inspect. Schedule with EG. 3/16/18
- Re gel strap on flow meters in plant (Qversa). 3/13/18
- 18. Re gel strap on meter at "Dog House." (Qversa) 3/13/18
- Inspect MF caustic & acid basket strainers. 3/1/18
- Service UPS systems. 2/28/18
- Inspect CPE chemical injectors. 4/7/18
- 22. Flush bypass line around R13.1(this is accomplished during start-up)
- Clean air filtration systems for all VFD's. 3/14/18
- Inspect and upgrade chemical trench flex lines and close bulk tank valves. 3/24/18
- Change cartridge filters on Nano filtration trains 1 & 2. 3/9/18
- Inspect Micro filtration feed headers Drain racks on day of start-up and pull end caps.
- Tighten RF system nuts/bolts Micro filtration. 4/7/18
- 28. Grease zert fittings on all pumps throughout the plant. 3/15/18
- Change oil in NF inter stage booster pumps. 3/10/18
- 30. RF Basket Clean. 3/10/18
- RF Nipple/fitting replacement on air/yae(s). 3/27/18
- 32. Chemical instrument probes replace fitting/bushings/adaptors. 4/16/18
- 33. Inspect DAF pump check valves rebuild/replace as needed. 3/15/18
- 34. Replace (3) 6" air & vacuum valves, pre and post FSS. 3/18/18
- 35. Replace 3/4" & 1" air & vacuum valves on MF/NF systems. 3/11/18
- Tap and install fittings for de foamer injection on NF CIP waste line to waste sump. 4/16/18

Public Policy





Date: April 24, 2018

From: Joseph Zoba, General Manager

Subject: Discussion Regarding Draft Resolution No. 2018-xx Establishing a Development

Policy Related to Accessory Dwelling Units and Other Multiple Unit Developments

The District staff is in the process of developing a standardized policy for Accessory Dwelling Units (ADUs). At the board workshop on February 27, 2018, the following elements of the policy were discussed:

Single Residential Unit - Same Parcel

Facility Capacity Charge - Standard Fees Apply

Monthly Fixed and Variable Water and Sewer Charges - Standard Fees Apply

Single Residential Unit with an Accessory Dwelling Unit - Same Parcel Up to 1,200 Square Feet - Same Parcel

- Facility Capacity Charge No Additional Charge for Accessory Dwelling Unit
- Fixed Monthly Water and Sewer Charges Standard Fees x 2.0
 - Casitas with either sink or toilet Standard Fees x 1.25
 - Casitas with 2 of 3 (either a sink, toilet, and/or kitchen) Standard Fees x 1.5
- Variable Monthly Water Fees Standard Fees with Facility Capacity Charge Element

Two Residential Units - Same Parcel

- Facility Capacity Charge Standard Fees Apply x 2.0
- Fixed Monthly Water and Sewer Charges Standard Fees x 2.0
- Variable Monthly Water Fees Standard Fees with Facility Capacity Charge Element

Three or more Residential Units and/or Commercial, Industrial, Institutional

- Facility Capacity Charge Based on Water Supply Fixture Units Uniform Plumbing Code
- Fixed Monthly Water and Sewer Charges Standard Fees x Calculated # of EDUs
- Variable Monthly Water Fees Standard Fees with Facility Capacity Charge Element

Customer Initiated Request for an Additional Water Meter – Same Parcel

- Two Cross-Connection Devices Required
- Facility Capacity Charge Standard Fees Apply x 2.0
- Fixed Monthly Water and Sewer Charges Standard Fees x 2.0
- Variable Monthly Water Fees Standard Fees with Facility Capacity Charge Element

These concepts will be discussed at the board workshop to further develop the overall business processes related to accessory dwelling units in the District's service area.



Date: April 24, 2018

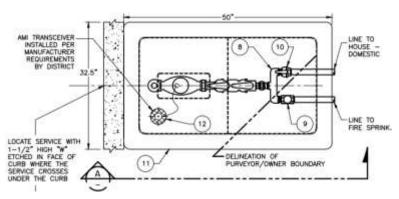
From: Joseph Zoba, General Manager

Subject: Discussion Regarding Draft Resolution No. 2018-xx Updating the Water Meter

Installation Fees for Drinking Water and Recycled Water and Identifying the Use of 50" Water Meter Boxes for Drinking Water and Recycled Water Infrastructure

At the board meeting on March 6, 2018, the Board of Directors continued the discussion about the use and implementation of 50" water meter boxes. The District staff has been in communication with the Building Industry Association and provided information attached to this memorandum.

At several recent workshop meetings, the Board of Directors discussed the installation of the 50" long water meter boxes for new development. These larger water meter boxes are useful to protect the Advance Meter Infrastructure (AMI) equipment as well as provide ample space to meet the fire sprinkler requirements for new construction.







YVWD standard meter boxes for dual-plumbed communities.



YVWD meter box without a sidewalk for a large-lot, rural application.

The benefits of using the larger water meter boxes includes:

- The water meter appurtenances, automatic meter infrastructure, and related equipment will be more secure and experience less vandalism. The District does not have direct experience or cost related to vandalism since the AMI and related infrastructure is now being added to new homes.
- The larger meter box will reduce uneven sidewalk surfaces and gaps between two smaller meter boxes. This additional safety feature will provide less risk for the District.
- The District will not need to saw cut the sidewalks in the future for water meter repairs.
 While this is not a significant overall expense at this time, the District will be eliminating the future expense associated with dual meter boxes for future homes which would likely be costlier in the future.
- There will be additional room to conduct inspections of water appurtenances. This feature will likely save staff time in the future.

RESOLUTION NO 2018-xx

A RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT UPDATING THE WATER METER INSTALLATION FEES FOR DRINKING WATER AND RECYCLED WATER AND IDENTIFYING THE USE OF 50" WATER METER BOXES FOR DRINKING WATER AND RECYCLED WATER INFRASTRUCTURE

WHEREAS, the Yucaipa Valley Water District (the "District") has updated the cost for installing drinking water and recycled water meters based on a cost evaluation associated with providing this service; and

WHEREAS, the District has updated the water meter service standards and individual parts list to address residential fire sprinkler requirements, dual-plumbed backflow protection, and automated meter infrastructure technology; and

WHEREAS, the District staff has presented the cost information and options for cost recovery at publicly noticed meetings and workshops; and

WHEREAS, the District desires to implement the use of 50" water meter boxes for the protection of drinking water and recycled water infrastructure.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the following Guidelines are hereby adopted:

1. <u>Drinking Water and Recycled Water Meter Installation Charge.</u> The cost associated with the installation of water meters shall be as follows:

Classification of Water Meter Installation	Water Meter Installation Fee
3/4" Drinking Water Meter Installation	\$490
3/4" Recycled Water Meter Installation	\$490
1" Recycled Water Meter Installation	\$560
1" Drinking Water Meter Installation with Fire Sprinklers	\$860
1" Drinking Water Meter Installation with Fire Sprinklers at a Dual- Plumbed Residential Dwelling	\$1,030

The Water Meter Installation Fee shall be paid prior to scheduling the installation of the water meter.

2. <u>Larger Drinking Water and Recycled Water Meter Installation Charge</u>. The charge for the installation of a larger water meter and/or a water meter classification not provided above shall be the actual cost of all labor, material, and equipment charges, plus employee benefits,

overhead, and administrative surcharges pursuant to the latest District resolution. A deposit of the estimated water meter installation cost shall be paid prior to scheduling the work. Any variance from the estimated water meter installation cost shall be remedied by District staff and the customer within 30 days following the activation of the water meter. Typical delinquent charges shall apply for unpaid amounts owed to the District.

- 3. Requirements for the Installation of a 50" Water Meter Box. The Yucaipa Valley Water District has adopted standard drawings and specifications related to the use of a 50" water meter box to protect the infrastructure necessary to provide drinking water and recycled water service to our customers. The following conditions will require the installation of a 50" water meter box for drinking water and recycled water applications:
 - A. All new residential developments required to install curb, gutters and sidewalks.
 - i. Residential developments consisting of four (4) or less dwelling units on individual parcels will be provided an opportunity to purchase a 50" water meter box from the District inventory as provided below:

50" Water Meter Box		\$195.83
Solid Cover for Half of Box		\$109.86
AMI Preparation and Reading Lid C	utout	\$122.06
Reading Lid Insert		\$ 16.00
•	Total	\$443.75

Rounded \$445.00

The 50" water meter box will be available for pickup from the District office by the property owner and does not include the cost of water meter related appurtenances.

- B. All non-residential development, including but not limited to commercial, institutional, and industrial projects.
- All installations of recycled water meters and related infrastructure.
- D. Replacements of existing drinking water or recycled water service pipelines when they exist in a sidewalk. If a sidewalk does not exist, written authorization is required from the property owner prior to the installation of a 50" water meter box at the time of service line replacement. Without prior written authorization, a meter box that matches the existing meter box will be reinstalled.
- 3. <u>Effective Date.</u> Previous resolutions regarding water meter installation charges are hereby superseded and replaced by the applicable sections identified above. This Resolution shall be effective immediately and shall remain in effect until it is rescinded or superseded.

PASSED, APPROVED and ADOPTED this 1st day o	f May 2018.
	YUCAIPA VALLEY WATER DISTRICT
	Jay Bogh, President Board of Directors
ATTEST:	
Joseph B. Zoba, General Manager	

Joseph Zoba

From: Joseph Zoba

Sent: Thursday, March 22, 2018 10:51 AM

To: David Dazlich

Cc: Matthew Porras; Kathryn Hallberg; Allison Edmisten; Carlos Rodriguez; Jonathan Weldy; John

Ohanian

Subject: Requested Meter Box Information

Attachments: 18-040 Large Meter Boxes - Resolution 2018-12.pdf

David – The District has been modeling our dual-plumbed homes after residential developments in the El Dorado Hills area. During our visits to El Dorado Irrigation District, we noticed that a total of five meter boxes were used for recycled water (3 boxes) and drinking water (2 boxes). We believe we can reduce the five meter boxes shown below to a total of four, but it may limit our operational capabilities.



Figure 1 - El Dorado Irrigation District Dual-Plumbed Installation

Based on the example from El Dorado Irrigation District, we set out to develop a standard that would: (1) improve the aesthetics of the meter boxes and remove them from front yards; (2) make the meter boxes more operationally functional; and (3) provide security for the advanced water meter infrastructure and backflow devices.

Our newest standard involves the installation of larger meter boxes to be installed in the sidewalk as shown below. This new standard accomplished the goals stated above. Note - we have eliminated the purple color of the meter box, so the picture on the right is not typical of future water meter box color requirements.





Figure 2 - YVWD Standard Meter Boxes for Dual-Plumbed Communities

Pursuant to your request, my staff compiled the cost of the meter boxes as provided below. One large meter box costs \$443.75/box and the smaller meter box costs \$145.85/box. To evaluate and compare the costs, a new, dual-plumbed home will need two large meter boxes [$$443.75 \times 2 = 887.50] or four smaller meter boxes (instead of five used in El Dorado) [$$145.85 \times 4 = 583.40]. Based on a typical home, the difference in cost to a home builder will be \$304.10 [\$887.50 - \$583.40 = \$304.10] per home. This difference in cost does not include the additional plumbing parts and labor needed to install the appurtenances in the multiple, smaller water meter box installation.

We are encouraging home builders to locate the large recycled water meter box near a property line so it can be used to co-locate two recycled water meters for neighbors. The small water meter boxes are not big enough to house two water meters. Where a recycled water meter box can be used for co-location of two recycled water meters, a new, dual-plumbed home will need 1.5 large meter boxes [\$443.75 x 1.5 = \$665.63] or four smaller meter boxes [\$145.85 x 4 = \$583.40]. Based on a typical home, the difference in cost to a home builder will be \$304.10 [\$665.63 - \$583.40 = \$82.23] per home. This difference in cost does not include the additional plumbing parts and labor needed to install the appurtenances in the multiple, smaller water meter box installation.

In summary, the material costs for the larger water meter boxes will be more than the smaller meter boxes. However, the benefits for using the larger meter boxes are that: (1) the drinking water appurtenances, recycled water appurtenances, and advanced meter infrastructure will be more secure; (2) uneven sidewalk surfaces and gaps between two smaller meter boxes are eliminated; (3) the District will not need to saw cut the sidewalks in the future for water meter service repairs; and (4) there will be sufficient room for annual inspections of water appurtenances.

I have attached a copy of the most recent board meeting memorandum for your review.

I would appreciate your comments or suggestions prior to bringing this item back to the board for consideration.

Take care,

Joe

PS – We are also working on an accessory dwelling unit policy that will be discussed at future board workshops. Let me know if you are interested in reviewing this policy as it is developed, or if you have a template from other water districts that you would recommend we use.

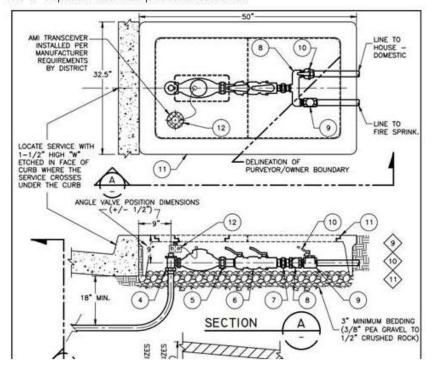
Joseph Zoba, General Manager Yucaipa Valley Water District Phone: (909) 797-5119 Email: jzoba@yvwd.dst.ca.us From: Matthew Porras

Sent: Wednesday, March 21, 2018 9:48 AM

To: Joseph Zoba <jzoba@yvwd.us>

Subject: Meter Box Info

The W-4 Spec for new dual plumbed residence:



The Large Box is currently priced at \$400.38 with bulk pricing. (see below)



YUCADA VALLEY WATER DISTRICT

Email: MPORRAS@YVWD.DST.CA.US

Confirm To: MATT PORRAS

QUOTED TO: 00-YVW00

Telephone:

13230 Saticoy Street, North Hollywood, CA 91605 Phone: (818) 982-3600 Fax: (818) 982-7742 email: info a armoreastprod.com www.armoreastprod.com

03/02/2015 0153718R QUOTATION NO.

QUOTATI ON

SHIP TO:

YUCAIPA VALLEY WATER DISTRICT

YUCADA, CA

Job Name: YUCAIPA VALLEY WATER DISTRICT

Bid Date:

Far: Ouantity Armorrast Part # Product Description Unit Price UM Extension A6001430PCX12 176.69 35.338.00 30"x48"x13" RPM Box Only EACH WITH MOUSE HOLES BOLTDOWN 30"x48"x3" RPM Cover (2 Req'd) 200 A6001470 99.13 EACH 19,826.00 Load: 10K Boltholes: HEX Complete Logo:WATER Large Box A6001470DZ-H7 109.04 EACH 21,808.00 200 30"x48"x3" RPM Cover with 9"x14" Cavity = \$400.38 With Touch Read Hole (2 Covers Required Per Box) Load: 10K Boltdown: HEX Logo: None 200 A6000482 9"x14" RPM Drop-In Read Lid 15.52 EACH 3,104.00 Load: Ped Boltholes: No NEW WATER A6001856-H7 13"x24"x2" RPM Cover 54.91 EACH 2,470.95 45 With Touch Read Hole Load Ped Boltholes; No Logo: WATER 45 A6001946PCX12 13"x24"x12" RPM Box 69.48 EACH 3,126.60 WITH MOUSE HOLES 200 A6000482-H7 17.24 EACH 3,448.00 9"x14" RPM Drop-In Read Lid With Touch Read Hole Load: Ped Boltholes: No Logo: WATER

To fit the contents of the W-4, two of the Medium Boxes will be needed. (see below) Totaling \$291.70 for two Medium Boxes with bulk pricing.

ARMORCAST PRODUCTS COMPANY, INC.

13230 Saticoy Street, North Hollywood, CA 91605
Phone: (818) 982-3600 Fax: (818) 982-7742
email: info@armoreastprod.com www.armoreastprod.com
OUOTATION

DATE	03/02/2018
QUOTATION NO.	0153715R

Page 2 of 2

QUOTED TO: 00-YVW00

YUCAIPA VALLEY WATER DISTRICT

Confirm To: MATT PORRAS Email: MPORRAS@YVWD DST CA US

Ext

Telephone:

SHIP TO:

YUCADA VALLEY WATER DISTRICT

YUCADA, CA

Job Name: YUCAIPA VALLEY WATER DISTRICT

Bid Date:

Line #	Quantity	Armoreast Part #	Product Description	Unit Price	UM	Extension
9	200	A6001643-H7 A6001640PCX12	17"x30"x2" RPM Cover With Touch Read Hole Load: Ped Boltholes: No Logo: WATER 17"x30"x12" RPM Box WITH MOUSE HOLES Complete Medium Box = 145.85	84.00 81.85	EACH EACH	12,800.00
			Note: Two Medium Boxes will be needed to fit W-4			

Summary: The cost to purchase two medium boxes is \$152.05 less then one Large Box shown in the table below. The lay-length will need to be adjusted if two boxes are used due to the interior walls of the boxes. Additional parts will be required to separate the meter in one box and the backflow and u-branch in another.

20	18	Pri	cing	ŗ
_	_			•

	\$443.75
Reading Lid	\$16.00
Reading lid (Half)	\$122.06
AMI Hole and	
Solid Cover (Half)	\$109.86
Large Box	\$195.83

Meduim Box	\$81.85
Cover with AMI Hole	\$64.00
Subtotal	\$145.85

Two Needed with W-

4

\$291.70

Difference of cost

\$152.05

I hope this helps,

Matthew M. Porras, Management Analyst Yucaipa Valley Water District

Yucaipa Valley Water District 12770 Second Street Yucaipa, California 92399 Phone: (909) 790-3300 Email: mporras@vvwd.dst.ca.us

Development Projects





Date: April 24, 2018

From: Joseph Zoba, General Manager

Subject: Overview of a Proposed Development Agreement with Western Pacific Housing

for the Development of 121 lots in Calimesa - Portions of Tract Nos. 26925, 30386,

and 30386-1

At the board workshop meeting on April 10, 2018, the District staff discussed the implementation of the San Gorgonio Pass Water Agency Supplemental Water Resource Fee for Tract No. 26925 and Tract No. 30386. Based on this discussion, the District staff prepared the attached development agreement and provided the document to Western Pacific Housing / DR Horton for review.



Yucaipa Valley Water District Development Agreement No. 2018-08 Page 1 of 16

AGREEMENT TO PROVIDE DRINKING WATER, RECYCLED WATER, AND SEWER SERVICE PORTIONS OF: TRACT NUMBER 26925 (80 LOTS); TRACT 30386 (34 LOTS): AND TRACT 30386-1 (7 LOTS) IN THE CITY OF CALIMESA, COUNTY OF RIVERSIDE

This Agreement is made and effective this 17th day of April 2018, by and between the Yucaipa Valley Water District, a public agency ("District") and Western Pacific Housing, Inc., a Delaware Corporation ("Developer"). Each is sometimes referred to herein as a "Party" and jointly as the "Parties".

Project File(s)	Work Order(s)
P-65-038	#65-01063
P-65-268	#65-16122

For contractual issues, the Parties are represented by the following responsible individuals authorized to execute this Agreement:

District	Developer
Yucaipa Valley Water District	Western Pacific Housing, Inc.
12770 Second Street	2280 Wardlow Circle, #100
Post Office Box 730	
Yucaipa, California 92399	Corona, California 92880
Attention: Joseph Zoba, General Manager	Attention: Barbara Murakami, Vice President
Telephone: (909) 797-5119 x2	Telephone: (951) 739-5443

The Developer has represented to the District that they will be the owner of the following parcel(s) on or about May 31, 2018, which is/are the subject of this Agreement and described herein as the "Property":

Tract Number and Lot Numbers	City / County
Tract No. 26925 - Lots 1-27, 45-97 (80 lots) Tract No. 30386 - Lots 1-6, 8-35 (34 lots) Tract No. 30386-1 - Lots 16-22 (7 lots)	City of Calimesa / Riverside County

RECITALS

WHEREAS, the Developer desires to develop its Property situated within the service area of the District as shown on Exhibit A attached hereto and consists of the development of 121 lots; and

WHEREAS, the Developer has provided plans, drawings, and/or concepts to the District to construct the proposed "Project" as shown on Exhibit B attached hereto; and

WHEREAS, the Developer desires to obtain drinking water service, recycled water service, and sewer service from the District for the Project in accordance with the current Rules, Regulations, and Policies of the District; and General Construction Conditions as provided in Exhibit C attached hereto; and

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 2 of 16

WHEREAS, it is the purpose of this Agreement to set forth the terms and conditions by which the District will provide service to the Project.

AGREEMENT

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

- A. Project Overview. The Proposed development consists of one hundred twenty-one (121) lots within Tract Nos. 26925, 30386, and 30386-1 ("Project"). The Project is located west of Bryant Street, in Calimesa, California. The Project will receive drinking water service, recycled water service, and sewer service from the Yucaipa Valley Water District.
- B. Special Conditions. The following conditions, being contained herein, will be required by the Yucaipa Valley Water District for the Developer to receive service for the Project.
 - Project Specific Drinking Water Conditions: The Project will receive drinking water service from Yucaipa Valley Water District. The Developer will design and construct on-site and off-site drinking water infrastructure ("Facilities") pursuant to District approved plans and requirements.
 - a. A 24-inch water conveyance pipeline located in Singleton Road/Bryant Street is required to be completed, tested, made operational, and accepted by the Yucaipa Valley Water District prior to the issuance of building permits to Tract No. 30386, Lots 1-6, 8-35 (34 lots).
 - Project Specific Recycled Water Conditions: The Project will receive recycled water service from Yucaipa Valley Water District. The Developer will design and construct on-site and off-site recycled water infrastructure ("Facilities") pursuant to District approved plans and requirements.
 - Recycled water service for this project is limited to common areas around the Project site. The residential lots within the Project will not be dualplumbed.
 - Project Specific Sewer Conditions: The Project will receive sewer service from Yucaipa Valley Water District. The Developer will design and construct on-site and off-site sewer infrastructure ("Facilities") pursuant to District approved plans and requirements.
 - a. The Yucaipa Valley Water District has identified sewer mainline deficiencies downstream of the Project within the City of Calimesa. To secure the appropriate funding for the upgrade of these sewer mainline facilities, the Developer shall pay to the District a fee of \$1,500 per Equivalent Dwelling Unit for the construction of upgraded sewer mainline facilities. This fee shall be paid prior to the issuance of building permits.
 - Project Specific Stormwater Conditions. The City of Calimesa and/or the County
 of Riverside will retain responsibility and authority for stormwater related to the
 Project. The Developer will provide approved plans, specifications, and

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 3 of 16

construction drawings to Yucaipa Valley Water District for review and identification of onsite stormwater collection facilities and retention basins. In some cases, special construction will be required to protect District Facilities from interference with the infrastructure and/or operations of the stormwater facilities.

- Project Specific Conditions. The Developer shall design and construct all Facilities and related appurtenances pursuant to the District approved plans and construction drawings to serve the Project.
 - a. The Developer shall provide written confirmation that Western Pacific Housing is the owner of the Property identified on page 1 of this Agreement by August 1, 2018.
 - b. The Yucaipa Valley Water District will not provide drinking water, recycled water, or sewer service to the Project until the necessary infrastructure is completed and accepted by the District to provide service to each lot.
 - Project phases will be coordinated with the District staff.
 - d. The Developer shall provide electronic design drawings of parcels and infrastructure in native file formats consistent with existing District enterprise systems.
- Rates, Fees and Charges. The most current rates, fees and charges will be payable pursuant to the Resolution/Ordinance in effect at the time building permits are issued or renewed for each lot.
 - a. The Developer shall pay the sustainability fees based on the rates, fees and charges in effect by the San Gorgonio Pass Water Agency for seven acre-feet (7 acre-feet) of imported water prior to the issuance of building permits.
 - b. On September 19, 2017, the Board of Directors adopted Resolution No. 2017-23, "A Resolution of the Yucaipa Valley Water District Establishing the Methodology to Calculate and Collect Facility Capacity Charges Related to the Purchase of Permanent Water Resources for New Development within the Boundary of the San Gorgonio Pass Water Agency and the City of Calimesa" ("SGPWA Water Fee"). This resolution is designed to be amended from time to time with the most recent calculation of the SGPWA Water Fee (superseding Resolution No. 2017-23) paid by the Developer pursuant to the following conditions:
 - When applicable, the implementation of the latest calculation of the SGPWA Water Fee shall be based on the consumption of 120 kgal (120,000 gallons) of drinking water per year.
 - ii. The 24-inch water conveyance pipeline to be constructed in Bryant Street / Singleton Road is expected to be made operational by December 31, 2018. In the event the 24-inch water conveyance pipeline is not operational by December 31, 2018, the Developer

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 4 of 16

agrees to pay the SGPWA Water Fee identified in Section 6.b. of this Agreement (prior to the issuance of building permits) from January 1, 2019 until the 24-inch water conveyance pipeline is completed, operational and accepted by the Yucaipa Valley Water District. This paragraph (Section 6.b.ii.) shall not apply if the 24-inch water conveyance pipeline is completed and accepted by the District prior to December 31, 2018.

- The Developer shall pay to the District the SGPWA Water Fee calculated in Section 6.b. of this Agreement prior to the issuance of any building permit(s) after July 1, 2020.
- 7. Project Related Invoices. The Developer agrees to deposit funds with the District, as required herein, 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 for Project costs incurred and that the District will not release any structure for occupancy unless there is a minimum balance in the Project Cash Account.
- 8. Ownership; Operation and Maintenance. Once constructed and accepted by the District, title to the Facilities (excluding private, on-site Facilities) will be conveyed by the Developer to the District, and the District will operate and maintain the Facilities and provide service to the Developer's Property in accordance with the District's Rules, Regulations and Policies and the provisions of this Agreement.
- Easements, Dedications, and Recorded Documentation: All easements, dedications, and recorded documentation required by the District shall be provided by the Developer to the District in a timely manner as required by the District.
- Annexation. This Project is located within the service area of the District, so an annexation is not required.
- 11. Annual Review of Construction Drawings. The District requires an annual review of approved construction drawings related to this Project. The District will not charge the Developer for the annual construction drawing review. However, the Developer will be required to update and resubmit construction drawings based on comments provided by the District at the sole cost and expense of the Developer prior to the start of construction.
- 12. <u>Amendment</u>. This Agreement may be amended, from time-to-time, by mutual agreement, 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 and/or Project, the Parties will meet and confer and negotiate in good faith and execute a written amendment or supplement to this Agreement.
- Assignment. This Agreement will not be assigned, whether in whole or in part by either Party.
- Term and Termination of Agreement. Unless extended by mutual agreement of the parties in writing, this Agreement shall terminate at 5:00 p.m., on the day before

YUCAIPA VALLEY WATER DISTRICT

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 5 of 16

the sixth (6th) anniversary date of this Agreement; provided, however, that this Agreement shall automatically terminate, without further liability to either party, as follows:

- Immediately, upon receiving written notice that Western Pacific Housing did not purchase of the Property as identified on page 1, either partially or in its entirety.
- b. 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 Developer's failure to improve the Property in a manner consistent with the proposed development plan within twelve months of the effective date of this Agreement; and/or
- c. 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.

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

Dated:	Ву:	Jay Bogh, Board President	
		, , , , , , , , , , , , , , , , , , , ,	
DEVELOPER			
Dated:	By:		
	Print Name:		_
	Print Title:		

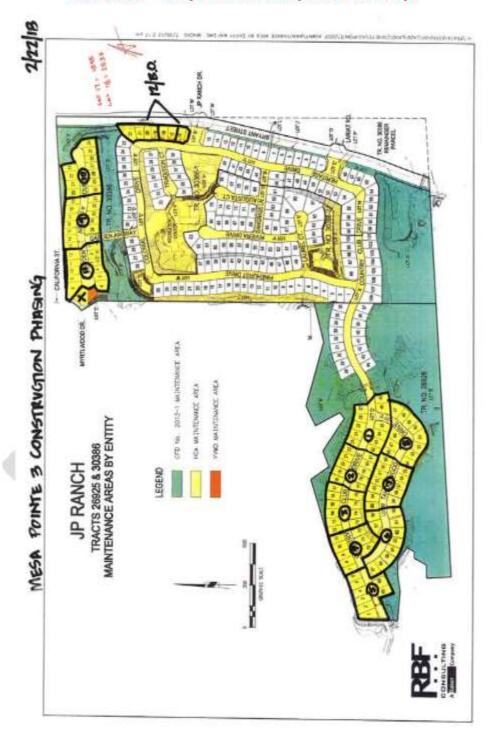
Yucaipa Valley Water District Development Agreement No. 2018-08 Page 8 of 18

Exhibit A - Project Location



Yucaipa Valley Water District Development Agreement No. 2018-08 Page 7 of 16

Exhibit B - Proposed Development Concept



Yucaipa Valley Water District Development Agreement No. 2018-08 Page 8 of 16

Exhibit C - General Construction Conditions

DESIGN AND CONSTRUCTION

- A. <u>Licensed Professionals</u>. All work, labor and services performed and provided in connection with, for example, the preparation of surveys and descriptions of real property and rights-of-way, 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.
- B. <u>Plan Acceptance</u>; Facility Acceptance. Upon its final review and approval of the plans and specifications ("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 will be required by the District to conform to revised construction standards and policies as part of the Plan Acceptance. The Developer shall update and resubmit the Plans for final approval by the District.
 - The Developer shall not permit, or suffer to permit, the construction of any Facility
 without having first obtained Plan Acceptance or completed modifications required
 by annual updates. 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.
 - The Developer shall not deviate from any Approved Plans and/or specifications without the District's prior written approval.
- C. <u>Facility Inspection</u>. 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.
 - 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.
 - 2. 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

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 9 of 16

Developer for any defects in the work performed, the materials provided, or the Facility constructed arising during the one-year warranty period.

- D. <u>Project Coordination and Designation of Developer's Representative</u>. 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 Facilities required for the Project.
 - 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.
 - Prior to proceeding with any Facility construction, the Developer shall schedule
 and conduct a preconstruction conference with the District. 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.
 - 3. 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.
- E. <u>District's Right to Complete Facilities</u>. 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.
- F. 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.
- G. 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 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.
- H. <u>Developer's Warranties</u>. 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

Yucaipa Valley Water District Development Agreement No. 2016-08 Page 10 of 16

continuity of water or sewer service. The District shall notify Developer of such emergency repairs.

- I. <u>Testing and Disinfection</u>. 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 (drinking water Facilities), for all Facilities prior to acceptance by the District.
- J. <u>Bond Requirements</u>. The Developer shall provide to the District, in a form satisfactory to the District, the following bonds:
 - 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.
 - Labor and Materials Payment Bond. 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.
 - Miscellaneous Bond Requirements. 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.
- K. <u>Title to Facilities and Right-of-Way.</u> 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

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 11 of 16

Agreement hereunder are satisfied and title to the Facilities has been conveyed and delivered to the District in recordable form.

- L. <u>Risk of Loss</u>. 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.
- M. 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.

FEES AND CREDITS

- N. <u>Developer Fees, Charges, Costs and Expenses</u>. The Developer shall be solely responsible for the payment to the District of all fees, charges, costs and expenses related to this Project.
- O. <u>Developer Cash Account Deposit</u>. The Developer acknowledges and hereby agrees that the District is authorized, from time-to-time, to reimburse itself from the funds on deposit for Project costs incurred.
 - The Developer shall provide the initial deposit to the District, and maintain the minimum balance in the Cash Account for the Project as provided below:
 - An initial deposit of \$2,500 and a minimum balance of \$1,000 for a Project that involves the construction of 1 to 2 proposed structures;
 - An initial deposit of \$5,000 and a minimum balance of \$2,000 for a Project that involves the construction of 3 to 5 proposed structures;
 - An initial deposit of \$10,000 and a minimum balance of \$3,000 for a Project that involves the construction of 6 to 20 proposed structures;
 - An initial deposit of \$25,000 and a minimum balance of \$5,000 for all other Projects.

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 12 of 16

- The initial deposit shall be received by the District within 10 business days following the District's approval of this Agreement.
- The District shall provide a monthly accounting of how funds were disbursed.
- The Developer agrees to deposit funds with the District within 30 calendar days upon the date an invoice is issued by the District or a Notice of Default will be issued by the District.
- The District will not release any structure for occupancy unless the minimum balance is available to the District in the Project Cash Account.
- Should any unexpended funds remain in the Cash Account upon completion of the Project or termination of this Agreement, then such funds shall be reimbursed to the Developer within 60 days.
- P. <u>Current Fees and Charges</u>. In the event of a change in the District's schedule of fees and charges, 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.
- Q. <u>Sustainability Water</u>. 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, or the latest version with a revised quantity or fee structure. The imported water rate shall be the rate in effect at the time water is secured from the San Bernardino Valley Municipal Water District. 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.
- R. <u>San Gorgonio Pass Water Agency Facility Capacity Charges</u>. If the Project is within the service area of the San Gorgonio Pass Water Agency, the Developer will be required to pay the latest San Gorgonio Pass Water Agency Facility Capacity Charge as set forth by District resolution.
- S. <u>District Financial Participation; Credits</u>. The District may agree to participate in certain Facilities for this Project. Any participation or financial contribution to construct the water and/or sewer infrastructure associated with this Project is identified in the Special Conditions at the beginning of the Agreement.

PERMITS AND DOCUMENTATION

T. 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.

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 13 of 16

- The Developer, at its sole cost and expense, shall be solely responsible for defending against any and all legal challenges, including but not limited to permits, licenses and CEQA documentation.
- U. <u>Documents Furnished by the Developer</u>. The Developer shall furnish to the District 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 two copies.

Document(s)	Due Date
Certification of Streets to Rough Grade	Prior to Construction
City/County Encroachment Permits and Conditions	Prior to Construction
Field Engineering Surveys ("Cut Sheets")	Prior to Construction
Grant of Easements and Rights-of-Way	Prior to Construction
Labor and Materials Bond	Prior to Construction
Liability Insurance Certificate(s)	Prior to Construction
Performance Bond	Prior to Construction
Soil Compaction Tests	Prior to Acceptance
Warranty Bond	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 Distric

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.

INSURANCE AND INDEMNIFICATION

V. 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

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 14 of 16

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.

- W. <u>Insurance</u>. 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.
 - 1. 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.
 - 2. 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.
 - 3. 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.
 - The Developer and the District further agree as follows:
 - a. 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.

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 15 of 16

- b. 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.
- c. 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.
- d. 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.
- e. 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.

MISCELLANEOUS PROVISIONS

- X. <u>Status of the Parties</u>. 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.
- Y. <u>Force Majeure</u>. 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.
- Z. <u>Incorporation of Prior Agreements</u>. 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.

Yucaipa Valley Water District Development Agreement No. 2018-08 Page 16 of 16

- AA. 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.
- BB. <u>Severance</u>. 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.
- CC. <u>Disclaimer</u>. Utilizing fees and Facilities provided to the District by the Developer, the District will supply sewer collection and treatment services to the Developer's Property and Project, however, the District shall not be obligated to utilize public funds to subsidize the Project.
- DD. Water Supply Availability. The District does not guarantee water supply availability and shall not be required to authorize the issuance of grading, building, or occupancy permits during the period of time that the State of California and/or the Board of Directors have declared a water supply reduction of 20% or greater for a specific portion or all of the District's service area.
- EE. <u>Preparation of This Agreement</u>. This Agreement shall not be construed against the Party preparing it, but shall be construed as if both Parties prepared it.
- FF. Alternative Dispute Resolution. 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.

END OF SECTION



Yucaipa Valley Water District Workshop Memorandum 18-120

Date: April 24, 2018

From: Matthew Porras, Management Analyst

Subject: Overview of a Proposed Development Agreement with Lennar Homes for the

Summerwind Development - Calimesa

In the City of Calimesa, the Summerwind residential development is underway with 'backbone' infrastructure and grading improvements. The first home builder, Lennar Homes of California, Inc., has purchased Tract 32702 and Tract 32702-5. Lennar is currently working on installing utilities and preparing the house pads. Tract 32702 will have 141 units and Tract 32702-5 will have 105 units totaling 246 units between the two tracts.

These tracts are within the Districts service area and will receive drinking water, recycled water, and sewer service. The homes will be dual plumbed, utilizing recycled water for front and backyard irrigation.

At the board meeting on March 20, 2018, the Board of Directors accepted 90.94 acre feet of overlying water rights for this development [Director Memorandum No. 18-047]. Information about the acquisition of water rights was included as part of the Beaumont Basin Watermaster meeting on March 28, 2018. Other developments in the City of Calimesa within the boundary of San Gorgonio Pass Water Agency (SGPWA) will be subject to the Supplemental Water Facility Capacity Charge effective July 1, 2018 [Resolution 2017-23]. With the acquisition of water rights, the development will not be required to purchase seven (7) acre feet of imported supplemental pursuant to Resolution 11-2018.

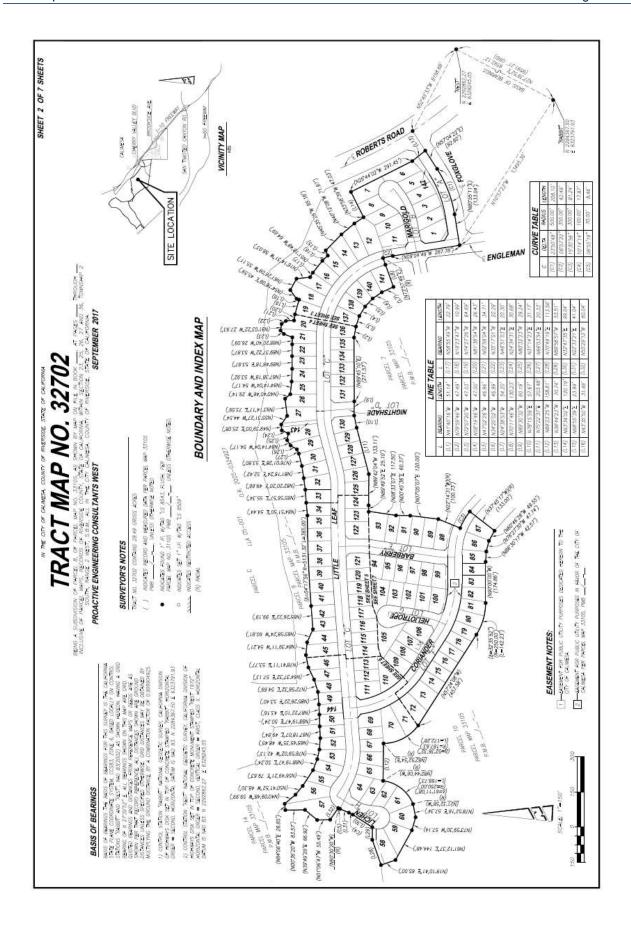
This development will be required to contribute to the sewer mainline deficiency fee currently collected in the Calimesa area.

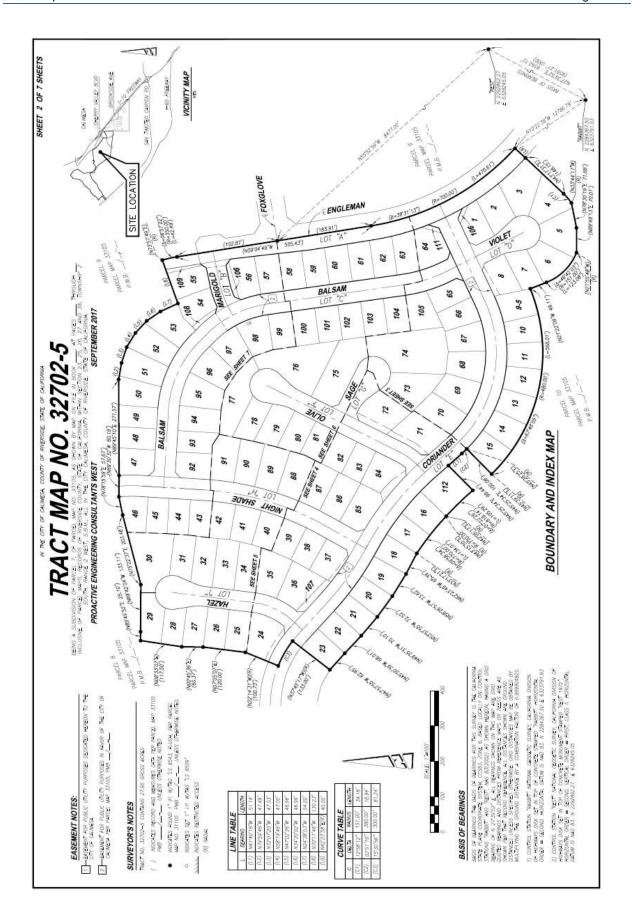
The table below summarizes the additional fees to the District's standard fees that are applied in the City of Calimesa within the boundary of SGPWA.

YVWD Water Sustainability Fee	SGPWA Supplemental Water Facility Capacity Charge	Sewer Mainline Deficiency Fee
N/A	N/A	\$1,500

The purpose of this item is informational, and staff will provide future updates as the development progresses.









Yucaipa Valley Water District Workshop Memorandum 18-121

Date: April 24, 2018

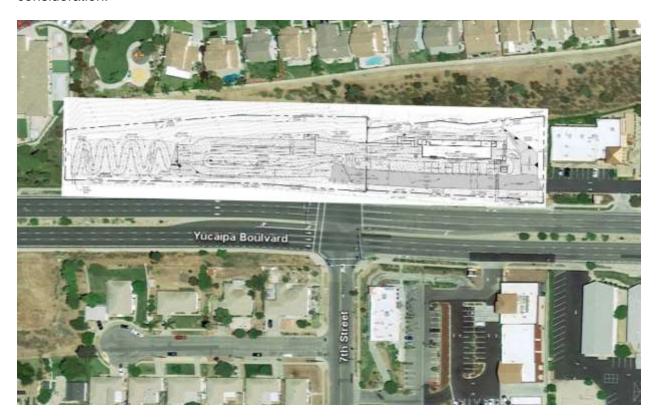
From: Matthew Porras, Management Analyst

Subject: Overview of a Proposed Development Agreement for a Commercial Carwash on

Yucaipa Boulevard, Yucaipa

A new carwash will be constructed in the City of Yucaipa at the intersection of Yucaipa Boulevard and 7th Street. The project is in the service area of the Yucaipa Valley Water District and will be provided Drinking Water, Recycled Water and Sewer Service. The carwash itself will utilize Recycled Water for the car wash operation as well as the landscape irrigation. District staff has been corresponding with the State and Local regulators regarding the application of Recycled Water use with positive results. The purpose of this item is informational, future updates will be provided.

District staff has prepared and attached a draft developers agreement for Board review and consideration.



Yucaipa Valley Water District Development Agreement No. 2018-09 Page 1 of 15

AGREEMENT TO PROVIDE WATER, SEWER AND RECYCLED WATER SERVICES TO ASSESSOR'S PARCEL NUMBER 0303-131-75 AND 0303-131-96 IN THE CITY OF YUCAIPA, COUNTY OF SAN BERNARDINO

This Agreement is made and effective this 1th day of May 2018, by and between the Yucaipa Valley Water District, a public agency ("District") and HMS Properties LP, ("Developer"). Each is sometimes referred to herein as a "Party" and jointly as the "Parties".

Project File	Work Order
P-65-363	#65-28395

For contractual issues, the Parties are represented by the following responsible individuals authorized to execute this Agreement:

District

Yucaipa Valley Water District 12770 Second Street Post Office Box 730

Yucaipa, California 92399

Attention: Joseph Zoba, General Manager Telephone: (909) 797-5119 x2

Email: jzoba@yvwd.us

Developer

Hal Sears Revocable Trust 1131 Emerald Bay

Laguna Beach, California 92651
Attention: Nuby Sears

Telephone: (949) 230-0938 Email: nubysears@yahoo.com

The Developer has represented to the District that they are the owner of the following parcel(s) which is/are the subject of this Agreement and described herein as the "Property":

Assessor Parcel Numbers	County
0303-131-75 & 0303-131-96	San Bernardino

RECITALS

WHEREAS, the Developer desires to develop its Property situated within the service area of the District as shown on Exhibit A attached hereto with a carwash facility; and

WHEREAS, the Developer has provided plans, drawings, and/or concepts to the District to construct the proposed "Project" as shown on Exhibit B attached hereto; and

WHEREAS, the Developer desires to obtain service from the District for the Project in accordance with the current Rules, Regulations, and Policies of the District; and General Construction Conditions as provided in Exhibit C attached hereto; and

WHEREAS, it is the purpose of this Agreement to set forth the terms and conditions by which the District will provide service to the Project.

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 2 of 15

AGREEMENT

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

- A. Project Overview The proposed project consists of a proposed carwash facility that will use recycled water for the source of the carwash and the landscape irrigation ("Project"). The District will provide drinking water, recycled water, and sewer service to the Project.
- B. Special Conditions The following conditions, being contained herein, will be required by the Yucaipa Valley Water District for the Developer to receive service for the Project.
 - Project Specific Drinking Water Conditions: The Project will be served drinking water service from Yucaipa Valley Water District. The Developer will design and construct on-site and off-site drinking water infrastructure ("Facilities") pursuant to District approved plans and requirements. A separate drinking water meter will be required for each individual parcel.
 - Project Specific Recycled Water Conditions: The Project will receive recycled water service from Yucaipa Valley Water District. The Developer will design and construct on-site and off-site recycled water infrastructure ("Facilities") pursuant to District approved plans and requirements. A separate recycled water meter will be required for each individual parcel.
 - 3. Project Specific Stormwater Conditions. The City of Yucaipa and/or the County of San Bernardino will retain responsibility and authority for stormwater related to the Project. The Developer will provide approved plans, specifications, and construction drawings to Yucaipa Valley Water District for review and identification of onsite stormwater collection facilities and retention basins. In some cases, special construction will be required to protect District Facilities from interference with the infrastructure and/or operations of the stormwater facilities.
 - 4. <u>Project Specific Sewer Conditions.</u> The Developer shall design and construct onsite sewer infrastructure and related appurtenances pursuant to the District approved plans and construction drawings to serve the Project. A separate sewer service will be required for each individual parcel.
 - Rates, Fees and Charges. The most current rates, fees and charges will be payable pursuant to the Resolution/Ordinance in effect at the time connection to the sewer system is completed and service is provided.
 - 6. Project Related Invoices. The Developer agrees to deposit funds with the District, as required herein, 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 for Project costs incurred and that the District will not release any structure for occupancy unless there is a minimum balance in the Project Cash Account.

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 3 of 15

- Ownership; Operation and Maintenance. Once constructed and accepted by the District, title to the Facilities, excluding the on-site Facilities, will be conveyed by the Developer to the District, and the District will operate and maintain the Facilities and provide service to the Developer's Property in accordance with the District's Rules, Regulations and Policies and the provisions of this Agreement.
- Easements, Dedications, and Recorded Documentation: All easements, dedications and recorded documentation required by the District shall be provided by the Developer to the District in a timely manner as required by the District. Existing easements in favor of the District will be maintained before, during, and after construction.
- Annexation. This Project is located within the service area of the District, so an annexation is not required.
- 10. <u>Annual Review of Construction Drawings</u>. The District requires an annual review of approved construction drawings related to this Project. The Developer will be required to update and resubmit construction drawings based on comments provided by the District at the sole cost and expense of the Developer prior to the start of construction.
- 11. <u>Amendment</u>. This Agreement may be amended, from time-to-time, by mutual agreement, 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 and/or Project, the Parties will meet and confer and negotiate in good faith and execute a written amendment or supplement to this Agreement.
- Assignment. This Agreement will not be assigned, whether in whole or in part by either Party.
- 13. Term and Termination of Agreement. 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:
 - a. 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 Developer's failure to improve the Property in a manner consistent with the proposed development plan within twelve months of the effective date of this Agreement; and/or
 - b. 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.

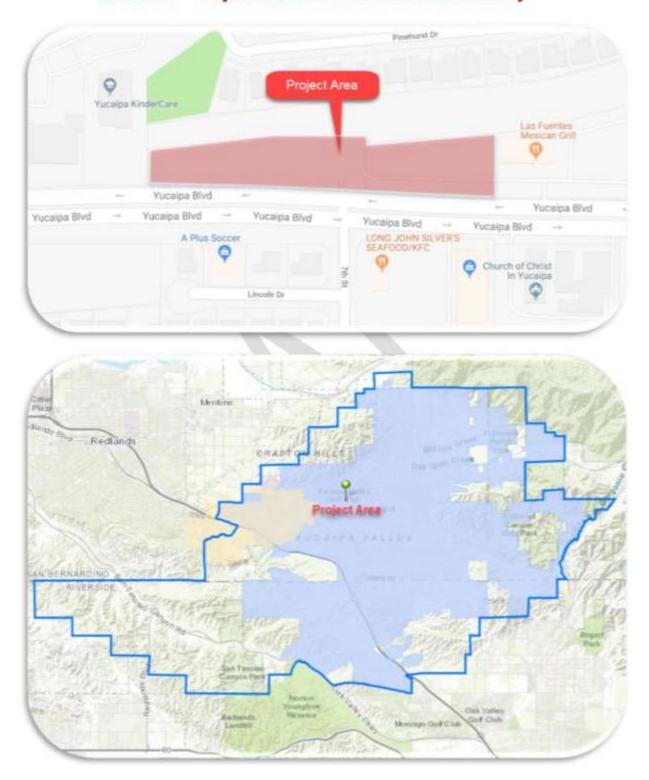
Yucaipa Valley Water District Development Agreement No. 2018-09 Page 4 of 15

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

Dated:	By:	Jay Bogh, Board President
DEVELOPER		
Dated:	Ву:	
	Print Name:	
	Print Title:	

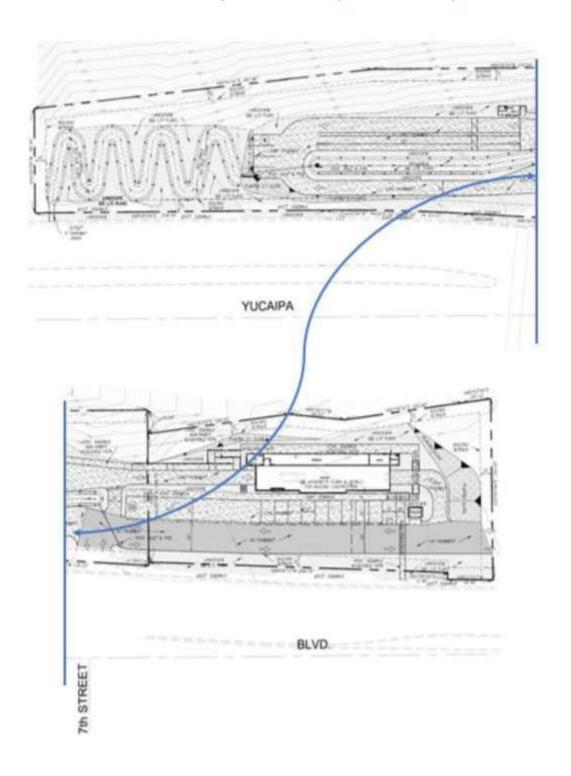
Yucaipa Valley Water District Development Agreement No. 2018-09 Page 5 of 15

Exhibit A - Project Location and District Boundary



Yucaipa Valley Water District Development Agreement No. 2018-09 Page 6 of 15

Exhibit B - Proposed Development Concept



Yucaipa Valley Water District Development Agreement No. 2018-09 Page 7 of 15

Exhibit C - General Construction Conditions

DESIGN AND CONSTRUCTION - SEWER INFRASTRUCTURE

- A. <u>Licensed Professionals</u>. All work, labor and services performed and provided in connection with, for example, the preparation of surveys and descriptions of real property and rights-of-way, 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.
- B. <u>Plan Acceptance</u>; Facility Acceptance. Upon its final review and approval of the plans and specifications ("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 will be required by the District to conform to revised construction standards and policies as part of the Plan Acceptance. The Developer shall update and resubmit the Plans for final approval by the District.
 - The Developer shall not permit, or suffer to permit, the construction of any Facility
 without having first obtained Plan Acceptance or completed modifications required
 by annual updates. 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.
 - The Developer shall not deviate from any Approved Plans and/or specifications without the District's prior written approval.
- C. <u>Facility Inspection</u>. 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.
 - 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.
 - 2. The District shall promptly upon request of Developer cause the final inspection of a Facility that 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

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 8 of 15

Developer for any defects in the work performed, the materials provided, or the Facility constructed arising during the one-year warranty period.

- D. <u>Project Coordination and Designation of Developer's Representative</u>. 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 Facilities required for the Project.
 - 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.
 - Prior to proceeding with any Facility construction, the Developer shall schedule
 and conduct a preconstruction conference with the District. 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.
 - 3. 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.
- E. <u>District's Right to Complete Facilities</u>. 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.
- F. 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.
- G. 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 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.
- H. <u>Developer's Warranties</u>. 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

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 9 of 15

continuity of water or sewer service. The District shall notify Developer of such emergency repairs.

- 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 for all Facilities prior to acceptance by the District.
- J. <u>Bond Requirements</u>. The Developer shall provide to the District, in a form satisfactory to the District, the following bonds:
 - 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.
 - Labor and Materials Payment Bond. 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.
 - 3. <u>Miscellaneous Bond Requirements</u>. 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.
- K. <u>Title to Facilities and Right-of-Way.</u> 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

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 10 of 15

- L. 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.
- M. Conditions Precedent to the Provision of Service. Unless the District otherwise agrees in writing, the District shall not be obligated to provide 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.

FEES AND CREDITS

- N. <u>Developer Fees, Charges, Costs and Expenses</u>. The Developer shall be solely responsible for the payment to the District of all fees, charges, costs and expenses related to this Project.
- Developer Cash Account Deposit. The Developer acknowledges and hereby agrees that the District is authorized, from time-to-time, to reimburse itself from the funds on deposit for Project costs incurred.
 - The Developer shall provide the initial deposit to the District, and maintain the minimum balance in the Cash Account for the Project as provided below:
 - An initial deposit of \$2,500 and a minimum balance of \$1,000 for a Project that involves the construction of 1 to 2 proposed structures;
 - An initial deposit of \$5,000 and a minimum balance of \$2,000 for a Project that involves the construction of 3 to 5 proposed structures;
 - An initial deposit of \$10,000 and a minimum balance of \$3,000 for a Project that involves the construction of 6 to 20 proposed structures;
 - An initial deposit of \$25,000 and a minimum balance of \$5,000 for all other Projects.
 - The initial deposit shall be received by the District prior to the issuance of grading permits for the Project.
 - The District shall provide a monthly accounting of how funds were disbursed.

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 11 of 15

- The Developer agrees to deposit funds with the District within 30 calendar days upon the date an invoice is issued by the District or a Notice of Default will be issued by the District.
- The District will not release any structure for occupancy unless the minimum balance is available to the District in the Project Cash Account.
- Should any unexpended funds remain in the Cash Account upon completion of the Project or termination of this Agreement, then such funds shall be reimbursed to the Developer within 60 days.
- P. <u>Current Fees and Charges</u>. In the event of a change in the District's schedule of fees and charges, 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.
- Q. <u>District Financial Participation; Credits.</u> The District may agree to participate in certain Facilities for this Project. Any participation or financial contribution to construct the water and/or sewer infrastructure associated with this Project is identified in the Special Conditions at the beginning of the Agreement.

PERMITS AND DOCUMENTATION

- R. 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, including but not limited to permits, licenses and CEQA documentation.
- S. <u>Documents Furnished by the Developer</u>. The Developer shall furnish to the District 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 two copies.

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

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 12 of 15

Soil Compaction Tests

Warranty Bond
List of Approved Street Addresses and Assessor Parcel

Prior to Acceptance
Prior to Acceptance
Prior to Setting Meter

Numbers

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.

INSURANCE AND INDEMNIFICATION

T. 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.

- U. <u>Insurance</u>. 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.
 - 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

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 13 of 15

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.

- 2. 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.
- 3. 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.
- The Developer and the District further agree as follows:
 - a. 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.
 - b. 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.
 - c. 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.

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 14 of 15

- d. 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.
- e. 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.

MISCELLANEOUS PROVISIONS

- V. <u>Status of the Parties</u>. 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.
- W. <u>Force Majeure</u>. 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.
- X. <u>Incorporation of Prior Agreements</u>. 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.
- Y. <u>Waiver</u>. 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.
- Z. <u>Severance</u>. 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.
- AA. <u>Disclaimer</u>. <u>Utilizing</u> fees and Facilities provided to the District by the Developer, the District will supply sewer collection and treatment services to the Developer's Property and Project, however, the District shall not be obligated to utilize public funds to subsidize the Project.
- BB. <u>Preparation of This Agreement</u>. This Agreement shall not be construed against the Party preparing it but shall be construed as if both Parties prepared it.
- CC. <u>Alternative Dispute Resolution</u>. 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.

Yucaipa Valley Water District Development Agreement No. 2018-09 Page 15 of 15

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.



Administrative Items



Date: April 24, 2018

From: Allison M. Edmisten, Chief Financial Officer

Subject: Review of Amendment No. 2 to SRF Loan-Brineline- Agreement No. 09-864-550

On May 2, 2012 [DM 12-039], the Board ratified Amendment No. 1 to the State Water Resources Agreement No. 09-864-550 revising construction dates and term dates.

On April 5, 2018, the Yucaipa Valley Water District received the attached Amendment No. 2 to State Water Resources Agreement No. 09-864-550, Project No. C-06-7476-110 related to the construction of the Yucaipa Valley Brineline. The proposed amendment:

- Revises Article I: Definitions
- Revises Article III: Financing Provisions
- Revises Exhibit B: Project Financing Amount
- Revises Exhibit C: Clean Water State Revolving Fund Payment Schedule by paying an Administrative Service Charge and a Small Community Grant Fund Charge in lieu of interest effective July 1, 2018.

The result of this amendment reduces the total payment amount over the life of the loan by \$59,517.86 as a result of applying more of the initial payment amount to principal rather than interest.





State Water Resources Control Board

April 5, 2018

Yucaipa Valley Water District Attn: Joseph Zorba 12770 Second Street Yucaipa, CA 92399

Agreement Number: 09-864-550 Project Number: 7476-110

Enclosed is your amended Funding Agreement for your approval and signature. This Agreement cannot be considered binding by either party until executed by the State Water Resources Control Board ("State Water Board").

If in agreement with all terms and conditions of the Agreement, please have the Authorized Representative, as noted in the executed resolution, sign and return two (2) signature pages no later than thirty (30) calendar days from the date of this letter to:

US Mail

Maya Garrett
State Water Resources Control Board
Division of Financial Assistance
P.O. Box 944212
Sacramento, CA 94244-2120

Overnight Mall

Maya Garrett
State Water Resources Control Board
Division of Financial Assistance
1001 | Street, 16th Floor
Sacramento, CA 95814

Ms. Garrett may be contacted at (916) 341-5653 or maya.garrett@waterboards.ca.gov

Once the Agreement is signed by both parties, we will forward an executed copy to you for your entity's records.

Enclosures

FELICIA MARCUE, CHIM | EILEN SORECK, EXECUTIVE DIRECTOR

1001 | Street, Septembritis, CA 95814 | Marting Address: P.O. Sox 100, Septembrito, CA 95812-0100 | www.waterboards.ca.gov





YUCAIPA VALLEY WATER DISTRICT AND CALIFORNIA STATE WATER RESOURCES CONTROL BOARD

PROJECT FINANCE AGREEMENT STATE REVOLVING FUND PROJECT NO. C-06-7476-110 AGREEMENT NO. 09-864-550

AMENDMENT NO. 2

AMOUNT: \$9,752,100

TERM DATES: MAY 4, 2010 - December 31, 2032

The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement, originally executed on June 28, 2010 and.subsequently.amended-on-april 24, 2012 and incorporated herein:

Changes made in this amendment are shown as follows in the attached Exhibits:

Article 1.1 - Definitions (3 pages attached)*

Article 3.2 - Financing Provisions (2 pages attached)*

Exhibit B - Project Financing Amount (1 page attached)*

Exhibit C - CWSRF Payment Schedule (2 pages attached)*

Except as otherwise noted, text deletions are displayed as strike through text (i.e., strike out)

** Entire Exhibit added.

All other terms and conditions shall remain the same.

YI	ICAIPA	VALL	FY WAT	FR DISTRI	CT.

Ву	
Name:	Joseph Zoba
Title:	General Manager
Date:_	
STATE	WATER RESOURCES CONTROL BOARD:
By:	
Name:	Leslie Laudon
Title:	Director, Division of Financial Assistance
Date:	

ARTICLE I DEFINITIONS

1.1 Definitions.

Unless otherwise specified, each capitalized term used in this Agreement (including the Exhibits hereto) has the following meaning:

"Additional Payments" means the Additional Payments described in Section 3.2(c) of this Agreement.

"Agreement" means the Project Finance Agreement, dated as of the date set forth on the first page hereof, by and between the State Water Board and the Recipient, including all exhibits and attachments thereto.

"Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.

"Authorized Representative" means the Mayor of a City, the Chairperson of the County Board of Supervisors, the Chairperson of the Board of Directors of the Recipient, or another duly appointed representative. For all authorized representatives, a certified original of the authorizing resolution that designates the authorized representative, by title, must accompany the first payment request, and any other documents or requests required or allowed under this Agreement.

"Bank" means the California Infrastructure and Economic Development Bank.

"Bonds" means any series of bonds issued by the Bank all or a portion of the proceeds of which may be applied to fund the Project in whole or in part or that are secured in whole or in part by Installment Payments paid hereunder.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor provisions and the regulations of the U.S. Department of the Treasury promulgated thereunder.

"Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete.

"Construction" includes, for the purposes of expanded use projects, implementation (but not planning or design).

"CWSRF" means Clean Water State Revolving Fund.

"Division" means the Division of Financial Assistance of the State Water Board, or any other segment of the State Water Board authorized to administer the CWSRF.

"Enterprise Fund" means the enterprise fund of the Recipient in which System Revenues are deposited.

"Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year, or any other annual period hereafter selected and designated by the Recipient as its Fiscal Year in accordance with applicable law.

"Force Account" means the use of the Recipient's own employees or equipment for construction of the Project.

"Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project, or, for expanded use projects, any implementation other than planning or design.

"Installment Payments" means Installment Payments, including the <u>Administrative Service Charge</u>, and <u>Small Community Grant Fund Charge</u>, due and payable by the Recipient to the State Water Board under this Agreement to repay the Project Costs, the amounts of which are set forth as Exhibit C hereto.

"Net Revenues" means, for any Fiscal Year, so long as there may be outstanding System Obligations other than the Obligation, as such term is defined under the authorizing instruments for such System Obligations, and thereafter all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.

"Obligation" means the obligation of the Recipient to make Installment Payments and Additional Payments as provided herein, as evidenced by the execution of this Agreement, proceeds of such obligations being used to fund the Project as specified in the Project Description attached hereto as Exhibit A and in the documents thereby incorporated by reference.

"Operations and Maintenance Costs" means, so long as outstanding System Obligations other than the Obligation are outstanding, the definition of such term as defined therein, and thereafter, the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with generally accepted accounting principles, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles.

"Policy" means the State Water Board's "Policy for Implementing the State Revolving Fund for Construction of Wastewater Treatment Facilities," as most recently amended, the State Water Board's "Strategy for Implementing State Revolving Fund for Expanded Use Projects", as appropriate, and Board Resolution 2009-0027.

Project means the Project as described in Exhibit A and in the documents thereby incorporated by reference.

"Project Completion" for the purposes of a wastewater or water recycling project, means the date, as determined by the Division after consultation with the Recipient, that operation of the Project is initiated or is capable of being initiated, whichever comes first. For the purposes of all other projects, "Project Completion" means the date that all tasks in Exhibit A are completed to the reasonable satisfaction of the Division. This date shall be synonymous with the date specified in the "Initiation of Operation" form submitted as part of the Approval of Award package, if any.

"Project Costs" means the incurred costs of the Recipient which are eligible for financial assistance from the CWSRF under the federal Clean Water Act, which are allowable costs as defined under the Policy and which are reasonable, necessary and allocable by the Recipient to the Project under generally accepted accounting principles, plus capitalized interest. For the purposes of all other projects, "Project Costs" means those costs incurred by the Recipient for the planning, design, and implementation of the project as set forth in Exhibit A; this includes any monitoring, reporting,

education and outreach, or direct administrative costs associated with these tasks and deemed necessary by the Division.

"Project Funds" means funds disbursed by the State Water Board to the Recipient for purposes of this Agreement.

"Recipient" means the recipient of Project Funds, as identified on the front page of this Agreement.

"Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with generally accepted accounting principles, including all rates, fees and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.

"State" means State of California.

State Water Board means the State Water Resources Control Board, an administrative and regulatory agency of the State of California.

"System" means for the purposes of a wastewater project, all wastewater collection, transport, treatment, storage and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions or improvements to such facilities, properties, structures or works or any part thereof hereafter acquired and constructed. For the purposes of a water recycling project, "System" means all wastewater, water recycling, and/or potable water collection, transport, treatment, storage and/or disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions or improvements to such facilities, properties, structures or works or any part thereof hereafter acquired and constructed. For the purposes of all other projects, "System" means all nonpoint source control or estuary enhancement facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions or improvements to such facilities, properties, structures or works or any part thereof hereafter acquired and constructed.

"System Obligations" means all senior, parity and subordinate obligations of the Recipient payable from Revenues as identified as of the date of this Agreement in Exhibit F and such additional obligations as may hereafter be issued in accordance with the provisions of such obligations.3.2 Amounts Payable by the Recipient.

ARTICLE III FINANCING PROVISIONS

- 3.2 Amounts Payable by the Recipient
- (a) Installment Payments. Repayment of the Project Funds, together with all interest, <u>Administrative Service Charge, and Small Community Fund Grant Charge,</u> accruing thereon, shall be repaid in annual installments commencing on the date that is one (1) year after Completion of Construction, and shall be fully amortized by the date specified in Exhibit B.

The repayment amount is based on a standard fully amortized assistance amount with equal annual repayments. The remaining balance is the previous balance, plus the disbursements, plus the accrued interest, <u>Administrative Service Charge</u>, and <u>Small Community Fund Grant Charge</u>, on both, less the repayment. Repayment calculations will be made beginning one (1) year after Completion of Construction and shall be fully amortized not later than the date specified in Exhibit B. Exhibit C is a CWSRF Payment Schedule based on the provisions of this article and an estimated disbursement schedule. The actual repayments will be based on actual disbursements.

Upon Completion of Construction and submission of necessary reports, the Division will prepare an appropriate CWSRF Payment Schedule and supply the same to the Recipient. The CWSRF Payment Schedule may be amended as necessary to accurately reflect amounts due under this Agreement. Any amended CWSRF Payment Schedule which is necessary will be prepared by the Division and furnished to the Recipient.

The Recipient agrees to make each installment payment on or before the due date therefor. A ten (10) day grace period will be allowed, after which time a penalty in the amount of costs incurred to the State Water Board will be assessed for late payment. These costs may include, but are not limited to, lost interest earnings, staff time, bond debt service default penalties, if any, and other costs incurred. Penalties assessed will not change the principal balance of the financing Agreement. Such penalties will be treated as a separate receivable in addition to the annual payment due. For purposes of penalty assessment, repayment will be deemed to have been made if repayment is deposited in the U.S. Mail within the grace period with postage prepaid and properly addressed. Any penalties assessed will not be added to the assistance amount balance, but will be treated as a separate account and obligation of the Recipient. The interest penalty will be assessed from the repayment due date.

The Recipient as a whole is obligated to make all payments required by this Agreement to the State Water Board, notwithstanding any individual default by its constituents or others in the payment to the Recipient of fees, charges, taxes, assessments, tolls or other charges ("Charges") levied or imposed by the Recipient. The Recipient shall provide for the punctual payment to the State Water Board of all amounts which become due under this Agreement and which are received from constituents or others in the payment to the Recipient. In the event of failure, neglect or refusal of any officer of the Recipient to levy or cause to be levied any Charge to provide payment by the Recipient under this Agreement, to enforce or to collect such Charge, or to pay over to the State Water Board any money collected on account of such Charge necessary to satisfy any amount due under this Agreement, the State Water Board may take such action in a court of competent jurisdiction as it deems necessary to compel the performance of all duties relating to the imposition or levying and collection of any of such Charges and the payment of the money collected therefrom to the State Water Board. Action taken pursuant hereto shall not deprive the State Water Board of, or limit the application of, any other remedy provided by law or by this Agreement.

Attached as Exhibit C is a CWSRF Payment Schedule based on the provisions of this section and an estimated disbursement schedule. CWSRF Payment Schedule will be revised based on actual disbursements following Completion of Construction.

Each Installment Payment shall be paid by check and in lawful money of the United States of America.

The Recipient agrees that it shall not be entitled to interest earned on undisbursed project funds. Upon execution of this Agreement, the State Water Board shall encumber an amount equal to the Obligation. The Recipient hereby agrees to pay installment Payments and Additional Payments from Net Revenues and/or other amounts legally available to the Recipient therefor. Interest on any funds disbursed to the Recipient shall begin to accrue as of the date of each disbursement.

- (b) Project Costs. The Recipient agrees to pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient shall nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.
- (c) Additional Payments. In addition to the Installment Payments required to be made by the Recipient, the Recipient shall also pay to the State Water Board the reasonable extraordinary fees and expenses of the State Water Board, and of any assignee of the State Water Board's right, title and interest in and to this Agreement, in connection with this Agreement, including all expenses and fees of accountants, trustees, attorneys, litigation costs, insurance premiums and all other extraordinary costs reasonably incurred by the State Water Board or assignee of the State Water Board.

Additional Payments shall be billed to the Recipient by the State Water Board from time to time, together with a statement executed by a duly authorized representative of the State Water Board, stating that the amounts billed pursuant to this section have been incurred by the State Water Board or its assignee for one or more of the above items and a copy of the invoice or statement for the amount so incurred or paid. Amounts so billed shall be paid by the Recipient within thirty (30) days after receipt of the bill by the Recipient.

(d) The Recipient may without penalty prepay all or any portion of the outstanding principal amount of the Obligation provided that the Recipient shall also pay at the time of such prepayment all accrued interest on the principal amount prepaid through the date of prepayment.

EXHIBIT B - PROJECT FINANCING AMOUNT

- Estimated Reasonable Cost. The estimated reasonable cost of the total Project, including associated planning and design costs, is nineteen million, seven hundred six thousand, one hundred fifty-six dollars and no cents (\$19,708,156.00).
- Project Funding. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds in the amount of nine million, seven hundred fifty-two thousand, one hundred dollars and no cents (\$9,752,100.00).
- 3. Repayment and Interest Rate. The Recipient agrees to repay all Project Funds according to the schedule in Exhibit C at an interest rate of two and seven tenths percent (2.7%) per annum and an Administrative Service Charge of zero percent (0%) per annum. Payment, Interest Rate, and Charges. The Recipient agrees to make all Installment Payments according to the schedule in Exhibit C at an interest rate of two and seven tenths percent (2.7%) per annum. The Recipient agrees to pay an Administrative Service Charge in lieu of Interest effective July 1, 2018 as reflected in Exhibit C. The Recipient agrees to pay a Small Community Grant Fund Charge in lieu of Interest effective July 1, 2018 as reflected in Exhibit C.
- The term of this agreement is from May 4, 2010 to December 31, 2032.
- Budget costs are contained in the Project Cost Table, which is part of the Eligibility Determination Approval in Exhibit A.1.

EXHIBIT C - CWSRF PAYMENT SCHEDULE

See the attached preliminary CWSRF Payment Schedule dated April 3, 2012 February 22, 2018. The final CWSRF Payment Schedule will be forwarded to the Recipient after all disbursements have been paid and construction of the Project has been completed.

California CWSRF Payment Schedule

Project No. 7476-110 - Yucaipa Valley Water District Agrocment. 09864 - based on Actual Dishursements Regional Water Supply Renewal Project Part 1 Regional Britteline

Service/Grant Charge Rate: 1% Fees paid on all payment dates during the americation period only.

20 Years

Principal is paid over: Interest rate:

1231/2013 383,889 4 2 700 245,344.26 649,273-30 0.000 649,273-30 9,551,594.20 7,098.11 1231/2014 391,371.5 2 2700 247,349.2 649,273-30 0.000 649,273-30 6,900,273-30 2,91,03,524.20 7,311,85 7,		Date	Date	Date Received Principal Payment	Enterest Rate%	Payment	Fayment	Service Charge	Charge	Total Payment	Ending	Interest
4 12/22/2014 391,711.55 2.779 257,901.95 649,273.50 0.00 649,273.50 9,160,522.65 5 12/23/2015 41,398.38 2.700 247,344.22 649,273.50 0.00 649,273.50 8,738,614.07 6 12/23/2015 412,998.28 2.700 256,482.38 649,273.50 0.00 649,273.50 8,738,614.07 7 12/26/2017 412,998.22 1.700 114,672.08 370,484.64 74,855.64 0.00 649,273.50 748,594.31 8 12/23/2016 1.700 119,669.23 578,471.84 70,393.66 0.00 649,273.50 748,586.44 9 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		12/31/2013			2,700	265,384.26	649,273.50	00:00	00'0	649,273.50	9,551,924.20	7,098.12
5 1223/2015 401,938.38 2700 247,344.92 649,273.50 0.00 649,273.50 8,358,614.07 5 1223/2016 412,796.32 2.700 226,482.38 649,273.50 0.00 649,273.50 8,458,823.13 6 1223/2016 423,986.27 2.700 225,472.36 549,273.50 0.00 649,273.50 7,21,886.88 8 1.224/2017 423,986.27 2.700 127,203.7 578,188.7 0.00 649,273.50 7,21,886.88 9 447,137.80 1.700 119,662.13 578,79.84 70,885.64 0.00 649,273.50 7,21,886.88 1 447,137.80 1.700 119,662.13 578,79.84 70,383.66 0.00 649,273.50 7,293,366.44 1 447,137.80 1.700 119,662.13 578,79.84 70,383.66 0.00 649,273.50 7,293,366.44 1 431,620.40 1.700 113,445.24 55,470.44 50,00 649,273.50 56,480.33 649,273.50 56,480.33 649,273.5		12/31/2014	_		2.700	257,901.95	649,273.50	00'0	00.0	649,273.50	9,160,552.65	7,236.47
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1,226/2017 423,936,27 2.700 225,337,23 649,273.50 0.00 649,273.50 7,921,886.88 4,15,382.55 1,700 134,672.08 570,034.63 79,218.87 0.00 649,273.50 7,486,504.33 4,15,382.55 1,700 127,270.57 574,408.46 74,865.04 0.00 649,273.50 7,486,504.33 4,137.89 1,700 119,609.23 578,879.84 70,393.66 0.00 649,273.50 6,580,155.83 4,14,409.29 1,700 119,609.23 588,419.94 65,801.56 0.00 649,273.50 6,108,346.34 1 443,402.00 1,700 119,609.23 588,188.03 0.00 649,273.50 6,108,346.34 1 1,700 95,611.46 58,013.64 0.00 649,273.50 6,108,783.44 2 2,24,204 0.00 649,273.50 6,108,783.44 6,108,783.44 6,108,783.44 6,108,783.44 6,108,783.44 6,108,783.30 6,108,783.30 6,108,783.44 6,108,783.44 6,108,783.30 6,108,783.44 6,108,783.4		12/31/2016	ш	9	2.700	236,482,58	649,273.50	0.00	00'0	649,273.50	8,345,823.15	7,632.51
445,382.55 1,700 134,672.08 570,054,63 79,218.87 0.00 649,273.50 7,486,504.33 447,137.89 1,700 127,270.57 574,408.46 76,865.04 0.00 649,273.50 7,039,366.44 447,137.89 1,700 119,669.23 578,879.84 70,393.66 0.00 649,273.50 6,108,546.44 47,140.92 1,700 111,862.65 588,188.03 61,085.47 0.00 649,273.50 6,108,546.44 447,437.80 1,700 103,845.29 588,188.03 61,085.47 0.00 649,273.50 6,108,546.44 447,437.74 1,700 95,611.46 593,031.46 56,242.04 0.00 649,273.50 5,126,738.0 447,437.74 1,700 95,611.46 593,031.46 56,242.04 0.00 649,273.50 5,126,738.0 510,850.34 1,700 95,611.46 593,033.34 56,242.04 0.00 649,273.50 5,126,738.0 5,126,738.0 510,850.34 1,700 96,551.93 603,114.17 44,159.33 0.00		12/31/2017			2.700	225,337,23	649,273.50	000	0.00	649,273.50	7,921,886.88	7,838.59
447,137.89 1.700 127,270.57 574,408.46 74,855.04 0.00 649,273.50 7,039,566.44 459,210.61 1.700 119,669.23 578,879,84 70,393.66 0.00 649,273.50 6,086,135.83 471,609.29 1.700 111,862.65 583,471.94 65,801.56 0.00 649,273.50 6,108,546.34 484,442.74 1.700 103,845.29 588,188.03 61,085.47 0.00 649,273.50 6,108,546.34 497,420.00 1.700 95,611.46 593,031.46 593,031.46 593,031.46 593,031.46 593,031.47 4,1159.33 0.00 649,273.50 4,159,13.90 4,091,290.16 5 534,643.30 1.700 87,155.32 598,045.60 0.00 649,273.50 4,091,290.16 4,912,90 0.00 649,273.50 4,091,290.16 0.00 649,273.50 4,091,290.16 0.00 649,273.50 4,091,290.16 0.00 649,273.50 2,991,24.90 0.00 649,273.50 2,991,24.90 0.00 649,273.50 2,991,24.90 0.00		12/31/2018		435,382,55	1.700	134,672.08	570,054,63	79,218.87	000	649,273.50	7,486,504.33	8,050,23
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1 471,609.29 1.700 111,862.65 583,471.94 65,801.56 0.00 649,273.50 6,108,545.44 484,342.74 1.700 103,845.29 388,188.03 61,085.47 0.00 649,273.50 5,124,203.80 497,420.00 1.700 95,611.46 593,031.46 36,242.04 0.00 649,273.50 4,615,933.46 510,850.34 1.700 87,155.32 598,005.66 37,267.34 0.00 649,273.50 4,615,933.46 524,643.30 1.700 69,551.93 608,360.60 40,912.90 0.00 649,273.50 4,091,290.16 538,808.67 1.700 60,351.93 608,360.60 40,912.90 0.00 649,273.50 2,999,124.99 588,297.13 1.700 60,392.19 613,748.69 35,524.81 9 0.00 649,273.50 2,999,124.99 588,297.13 1.700 41,324.07 619,282.25 24,308.28 0.00 649,273.50 1,947,186.71 1 599,394.6 1.700 41,324.07 649,273.87 0.0		12/31/2020		459,210.61	1.700	119,669.23	578,879.84	70,393.66	000	649,273.50	6,580,155.83	8,490.82
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615,583.25 1.700 21,212.38 636,795.63 12,477.87 0.00 649,273.50 632,204.00 1.700 10,747.47 642,931.47 6,322.04 0.00 649,273.51 0.00		12/31/2030		599,399.46	1.700	31,402.17	630,801,63	18,471.87	00:00	649,273.50	1,247,787.25	11,082.91
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	- 1	12/31/2032		632,204.00	1.700	10,747.47	642,951.47	6,322.04	000	649,273.51	0.00	11,689.46



Yucaipa Valley Water District Workshop Memorandum 18-123

Date: April 24, 2018

From: Kathryn Hallberg, Management Analyst

Subject: Review of a Proposal for Environmental Liability Insurance for Sewer and Brineline

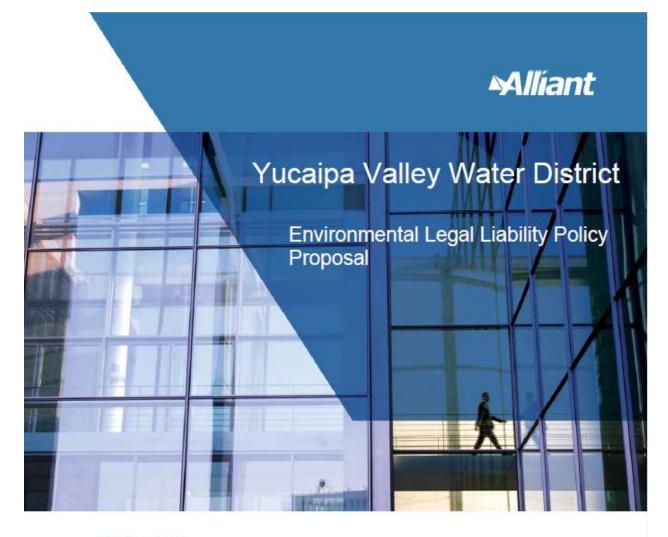
Operations

The District staff has been reviewing the addition of environmental liability insurance to specifically provide coverage for 232 miles of sewer pipelines, 5 lift stations, and 19 miles of brineline. The District requested a quote from Alliant Insurance Services.

The proposed environmental liability insurance would include coverage for:

- Clean up of affected sites;
- Emergency Response;
- Environmental Crisis;
- Insured Location;
- Non-Owned Site;
- Transportation;
- Covered Operations;
- Defense, Supplementary Payments and Settlement; and
- Terrorism Optional.

The attached quote is attached.



2018 - 2019

Environmental Legal Liability Policy Proposal

Seth Cole, ARM Senior Vice President

Alliant Insurance Services, Inc. 100 Pine Street, 11th Floor San Francisco, CA 94111 O 415 403 1400 F 415 402 0773

CA License No. 0C36861

www.alliant.com



Table of Contents

Company Profile	2
Alliant Advantage	3
Your Service Team	4
Named Insured / Additional Named Insureds	5
Line of Coverage	6-8
Environmental Legal Liability Policy – Aspen Specialty Insurance Company	
Disclosures	10
NY Regulation 194	11
FATCA:	11
Claims Reporting:	11
Claims Made Policy:	11
Claims Made Policy (D&O/EPL)	12
NRRA:	12
Changes and Developments	12
Certificates / Evidence of Insurance	13
Optional Coverages	14
Glossary of Insurance Terms	14
Request to Bind Coverage	15



Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

- Risk Solutions
- Employee Benefits
 - Strategy
 - Employee Engagement
 - Procurement
 - Analytics
 - Wellness
 - Compliance
 - Benefits Administration
 - Global Workforce
- Industry Solutions
 - Construction
 - Energy and Marine
 - Healthcare
 - Law Firms
 - Public Entity
 - Real Estate
 - Tribal Nations
 - And many other industries

- Co-Brokered Solutions
 - Automotive Specialty
 - Energy Alliance Program
 - Hospital All Risk Property Program
 - Law Firms
 - Parking/Valet
 - Public Entity Property Insurance Program
 - Restaurants/Lodging
 - Tribal Nations
 - Waste Haulers/Recycling
- Business Services
 - Risk Control Consulting
 - Human Resources Consulting
 - Property Valuation

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States.



Alliant Advantage

		Alliant	Competition
1.	Satisfying the insurance needs of business for nearly		
	90 years	- 1	
2.	Privately owned and operated.	1	
3.	A full-service insurance agency for all your business,		
	life and health, and personal insurance.	1	
4.	Representing over 40 insurance companies to provide		
	the best and most affordable coverage.	1	
5.	State-licensed support staff.	1	
6.	Dedicated Certificate of Insurance personnel.	1	
7.	Risk management services to help identify hazards		
	and present options.	1	
8.	Workers' compensation insurance claims management		
	at no additional charge.	1	



Your Service Team

 Seth Cole, ARM
 Phone: (415) 403-1419

 Senior Vice President scole@alliant.com
 Cell: (925) 628-8216

 Fax: (415) 402-0773

 Thary Ou
 Phone: (415) 403-1433

 Assistant Account Manager
 Fax: (415) 874-4813

tou@alliant.com



Named Insured / Additional Named Insureds

Named Insured(s)

Yucaipa Valley Water District 12770 Second Street Yucaipa, CA 92399

- 19 miles of brineline pipeline transporting brine from YVWD water recycling facility in Yucaipa, via Live Oak Canyon, San Timoteo Canyon, Loma Linda and San Bernardino.
- 232 miles of sewer lines, including 5 lift stations.

Additional Named Insured(s)

NAMED INSURED DISCLOSURE

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- Are ALL entities listed as named insureds? Coverage is not automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured
 in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy
 after the policy is written with the status of named insured. This entity would have the same rights and responsibilities
 as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to
 the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.



Line of Coverage

Environmental Legal Liability Policy - Aspen Specialty Insurance Company

INSURANCE COMPANY: Aspen Specialty Insurance Company
A.M. BEST RATING: A (Excellent), XV, November 11, 2016

STANDARD & POOR'S RATING: N/A

STATE COVERED STATUS: California (Non-Admitted)

PROPOSED TERM: TBD

Coverage Form: ASPER110 0114 Environmental Legal Liability

Limits / Deductible:

Environmental Legal Liability			
Option #1 - \$1,000,000 Limit			
Insuring Agreement A	s	1 000 000	Per Incident Limit
1a Clean up	-	1,000,000	Per incident Limit
1b Emergency Response			
1c Environmental Crisis*			
2a Insured Location			
2b Non-Owned Site			
2c Transportation			
2d Covered Operations			
B. Defense, Supplementary Payments and Settlement			
1c Environmental Crisis	S	250,000	Per Incident Limit
			Shall not erode the
			THE SECTION AND ASSESSED.
			aggregate limit of liability
Total Policy Aggregate Limit	S	1,000,000	
Per Incident Deductible	\$	25,000	
Total Premium:	s	25,000.00	Policy Premium
(Option #1)	S		Terrorism (Optional) + SLTF
	5 5		Surplus Lines Tax
	\$		Surplus Lines Fee

26,550.00 Total Annual Premium



Environmental Legal Liability Option #2 - \$3,000,000 Limit			
Insuring Agreement A 1a Clean up 1b Emergency Response 1c Environmental Crisis* 2a Insured Location 2b Non-Owned Site 2c Transportation 2d Covered Operations B. Defense, Supplementary Payments and Settlement	s	3,000,000	Per Incident Limit
1c Environmental Crisis	s	250,000	Per Incident Limit Shall not erode the aggregate limit of liability
Total Policy Aggregate Limit	\$	3,000,000	
Per Incident Deductible	\$	25,000	
Total Premium: (Option #2)	\$ \$ \$	1,110.00	
Environmental Legal Liability Option #3 - \$5,000,000 Limit			
Insuring Agreement A 1a Clean up 1b Emergency Response 1c Environmental Crisis* 2a Insured Location 2b Non-Owned Site 2c Transportation 2d Covered Operations	S	5,000,000	Per Incident Limit
B. Defense, Supplementary Payments and Settlement	ī		
1c Environmental Crisis	s	250,000	Per Incident Limit Shall not erode the aggregate limit of liability



Total Policy Aggregate Limit	S	5,000,000	
Per Incident Deductible	\$	25,000	
Total Premium:	S	50,000.00	Policy Premium
(Option #3)	S	1,500.00	Terrorism (Optional) + SLTF
	S	1,500.00	Surplus Lines Tax
	S	100.00	Surplus Lines Fee
	S	53,100.00	Total Annual Premium

Environmental Legal Liability Option #4 - \$10,000,000 Limit Insuring Agreement A S 10,000,000 Per Incident Limit 1a Clean up 1b Emergency Response 1c Environmental Crisis* 2a Insured Location 2b Non-Owned Site 2c Transportation 2d Covered Operations B. Defense, Supplementary Payments and Settlement 1c Environmental Crisis S 250,000 Per Incident Limit Shall not erode the aggregate limit of liability Total Policy Aggregate Limit \$ 10,000,000 Per Incident Deductible S 25,000 **Total Premium:** S 100,000.00 Policy Premium (Option #4) 3,000.00 Terrorism (Optional) + SLTF \$

\$

5

3,000.00 Surplus Lines Tax

2,000.00 Surplus Lines Fee 108,000.00 Total Annual Premium



In addition to the Policy form, the following endorsements apply:	
Environmental Legal Liability Policy Declarations Page	ASPER109 DEC 0114
Signature Page	ASPCO098 0213
Schedule of Applicable Forms	ASPER027 0709
California Notice	SK-AK 0612
Exclusion of Certified Acts of Terrorism (If TRIA Rejected)	ASPER102 0115
Cap on Losses From Certified Acts of Terrorism (if TRIA Selected)	ASPER098 0115
Disclosure Pursuant to Terrorism Risk Insurance Act (if TRIA Selected)	IL 09 85 01 15
NBCR Terrorism Exclusion	ASPC0023 1012
Schedule of Crisis Management Firms Endorsement	ASPER338 0114
Aspen Environmental Emergency Response Hotline	ASPER431 1214
100% Minimum Earned Premium	ASPER275 0114
Retroactive Date Endorsement	ASPER428 0814
Scheduled Insured Locations Endt	ASPER340 0114
Microbial Matter and Legionella Pneumophila Exclusion	ASPER321 0114
Self - Insured Retention	ASPER346 0014

See Disclaimer Pages for Important Notices and Acknowledgement



Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.



NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

(Applicable to any coverage that is identified as claims made)

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.



Other Disclosures / Disclaimers - Continued

Claims Made Policy (D&O/EPL)

(Applicable to any coverage that is identified as claims made)

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

NRRA:

(Applicable if the insurance company is non-admitted)

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.



Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

- A certificate is issued as a matter of information only and confers no rights upon the certificate holder.
 The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.
- You may have signed contracts, leases or other agreements requiring you to provide this evidence.
 In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

Shown above are the disclosures / disclaimers that are attached to all Property & Casualty insurance proposals. Please acknowledge receipt and review.

Signature

Date

Title

Printed / Typed Name



Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability

- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

Glossary of Insurance Terms

Below are a few links to assist you in understanding the insurance terms you may find within your insurance coverages:

http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx
http://www.ambest.com/resource/glossary.html
http://www.irmi.com/online/insurance-glossary/default.aspx



Request to Bind Coverage

Below is a recap by Line of Coverage. ALL coverage(s) require the following:

- Completed and signed Aspen ELL application, or equivalent with a warranty statement.
- 2. Signed Terrorism selection/rejection form.
- 3. Completed and signed Surplus Lines form.
- 4. YCWD Sanitary Sewer Overflow Plan
- 5. YCVWD Brineline Emergency Response Plan
- Currently valued 5 year GL and /or pollution loss runs.
- Current or most recent brineline inspection report, if applicable.
- 8. Current or most recent sewer line inspection report.
- 9. Information on where sewer lines end (home owner property or before).

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage:
Environmental Legal Liability – Aspen \$1mil limit	
Environmental Legal Liability - Aspen \$3mil limit	
Environmental Legal Liability – Aspen \$5mil limit	
Environmental Legal Liability – Aspen \$10mil limit	
Signature of Authorized Insurance Representative	
Date	

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. The actual terms and conditions of the policy will prevail.

In order to complete the underwriting process, we require that you send us any additional information requested above. We are not required to bind coverage prior to our receipt and underwriting acceptance of the above information. However, if we do bind coverage prior to such acceptance, the terms and conditions as indicated above may be amended until such receipt and acceptance. Any agreement to bind coverage in connection with this proposal must be in writing from an authorized employee of the Insurer



Date: April 24, 2018

From: Kathryn Hallberg, Management Analyst

Subject: Consideration of Resolution No. 2018-xx Supporting the Application for a Water

and Energy Efficiency Grant from the Bureau of Reclamation

The District staff is in the process of reviewing a grant opportunity for the continued installation of automatic meter reading infrastructure to be used to collect water usage information quickly and more frequently. A key requirement for a complete application packet will be a resolution like the draft document attached to this memorandum.



Funding Opportunity Announcement No. BOR-DO-18-F006

WaterSMART Grants: Water and Energy Efficiency **Grants for Fiscal Year 2018**





RESOLUTION NO. 2018-XX

RESOLUTION OF THE BOARD OF DIRECTORS OF THE YUCAIPA VALLEY WATER DISTRICT SUPPORTING THE APPLICATION FOR A WATER AND ENERGY EFFICIENCY GRANT FROM THE BUREAU OF RECLAMATION AND COMMITTING THE DISTRICT TO THE FINANCIAL AND LEGAL OBLIGATIONS ASSOCIATED WITH THE RECEIPT OF THE WATERSMART GRANT FINANCIAL ASSISTANCE REQUIREMENTS

WHEREAS, the Yucaipa Valley Water District (the "District") is a public agency of the State of California organized and existing pursuant to the provisions of the County Water District Law of this State (Section 30000, et seq. of the Water Code); and

WHEREAS, the mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American people; and

WHEREAS, the Bureau of Reclamation has announced Funding Opportunity Announcement No. BOR-DO-18-F006 seeking projects that save water, improve energy efficiency, address endangered species and facilitate transfers to new uses; and

NOW, THEREFORE, the Board of Directors of the Yucaipa Valley Water District hereby RESOLVE, DETERMINE, and ORDER as follows:

- That the Board of Directors delegates legal authority to the General Manager to enter into a cooperative agreement with the Department of Interior, Bureau of Reclamation for the WaterSMART: Water and Energy Efficiency Grant for Fiscal Year 2018.
- 2. That the Board of Directors hereby authorizes and supports the participation and submittal by the Yucaipa Valley Water District of the grant funding application.
- 3. That the Board of Directors support and the Yucaipa Valley Water District maintains the capability to provide funding and/or in-kind contributions as specified in the grant funding application.
- 4. That the Board of Directors hereby directs the General Manager to work with the Bureau of Reclamation to meet the established deadlines for entering into a cooperative agreement.

PASSED, APPROVED and ADOPTED this 1st of May 2018.

Director Comments



Adjournment





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

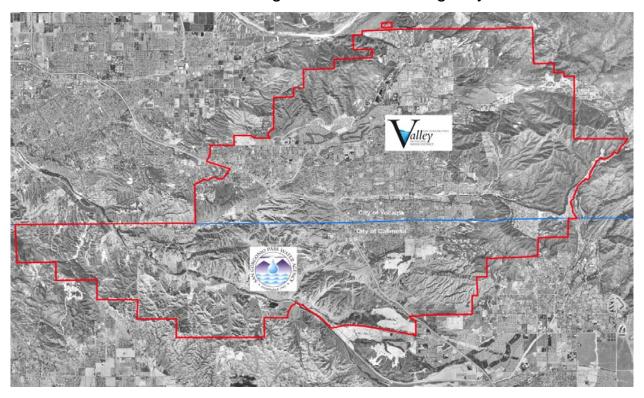
1,200 ac-ft annual recycled demand (0.4 billion gallons)

Brine Disposal: 2.2 million gallon desalination facility at sewer treatment plant

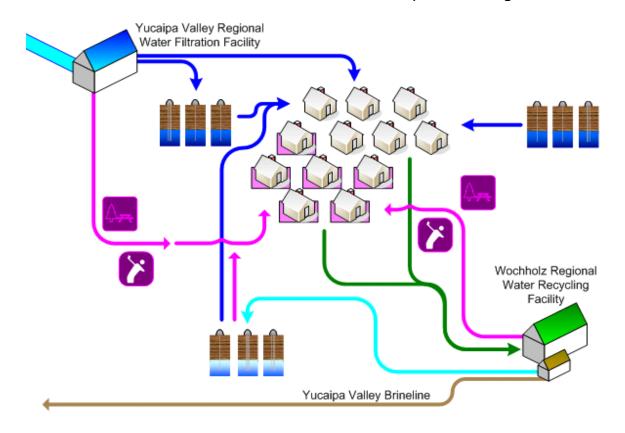
1.108 million gallons of Inland Empire Brine Line capacity

0.295 million gallons of treatment capacity in Orange County

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



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



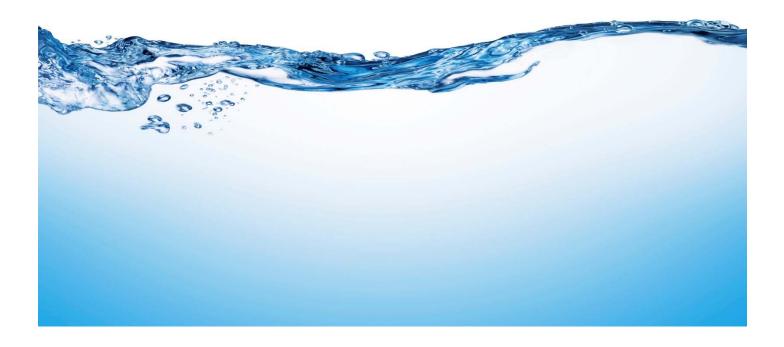


THE MEASUREMENT OF WATER PURITY

- **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 $1\frac{1}{2}$ " 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