



Western Riverside Council of Governments WRCOG Executive Committee

REVISED AGENDA

**Monday, December 4, 2023
2:00 PM**

**Western Riverside Council of Governments
County of Riverside Administrative Center
4080 Lemon Street, 1st Floor, Board Chambers
Riverside, CA 92501**

Remote Location:

**French Valley Airport Conference Room
37600 Sky Canyon Road
Murrieta, CA 92563**

Committee members are asked to attend this meeting in person unless remote accommodations have previously been requested and noted on the agenda. The below Zoom link is provided for the convenience of members of the public, presenters, and support staff.

[Public Zoom Link](#)

**Meeting ID: 893 7088 6219
Passcode: 20230206
Dial in: (669) 900 9128 U.S.**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Executive Committee meeting, please contact WRCOG at (951) 405-6702. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior

to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 3390 University Avenue, Suite 200, Riverside, CA, 92501.

In addition to commenting at the Committee meeting, members of the public may also submit written comments before or during the meeting, prior to the close of public comment to jleonard@wrcog.us.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Janis Leonard 72 hours prior to the meeting at (951) 405-6702 or jleonard@wrcog.us. Later requests will be accommodated to the extent feasible.

The Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

1. CALL TO ORDER (Chris Barajas, Chair)

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENTS

At this time members of the public can address the Committee regarding any items within the subject matter jurisdiction of the Committee that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Committee in writing and only pertinent points presented orally.

5. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)

- Antonio Zuniga, et al. v. Western Riverside Council of Governments, et al., Case No. 37-2021-00007702-CU-MC-NC (San Diego County Superior Court)

6. CONSENT CALENDAR

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Committee request specific items be removed from the Consent Calendar.

A. Action Minutes from the November 6, 2023, Joint Meeting of the WRCOG Executive Committee and Supporting Foundation

Requested Action(s):

1. Approve the Action Minutes from the November 6, 2023, joint meeting of the WRCOG Executive Committee and Supporting Foundation.

B. Finance Department Activities Update and Budget Amendment

Requested Action(s):

1. Approve the Fiscal Year 2023/2024 Agency Budget Amendment.

C. WRCOG Committees and Agency Activities Update

Requested Action(s): 1. Receive and file.

D. Report out of WRCOG Representatives on Various Committees

Requested Action(s): 1. Receive and file.

E. TUMF Program Activities Update: Approval of Three TUMF Credit Agreements

Requested Action(s):

1. Authorize the Executive Director to execute a TUMF Credit Agreement between WRCOG, the City of Hemet, and Pulte Home Company, LLC., for the widening of New Stetson Road northbound for a maximum credit of \$1,005,843.
2. Authorize the Executive Director to execute a TUMF Credit Agreement between WRCOG, the City of Lake Elsinore, and Pulte Home Company, LLC., for the improvements of Nichols Road from Lake Street to Terra Cotta Road and Lake Street from Alberhill Ranch Road to a portion extending beyond Nichols Road for a maximum credit of \$4,732,000.
3. Authorize the Executive Director to execute a TUMF Credit Agreement between WRCOG, the City of Menifee, and Pulte Home Company, LLC., for the improvements of Goetz Road from the beginning south of Thornton Avenue and ending north of McLaughlin Road with a maximum credit of \$1,208,943.

F. Voting Allocation for WRCOG Representatives on the Inland Regional Energy Network Executive Committee

Requested Action(s): 1. Establish voting allocation for WRCOG representatives on the I-REN Executive Committee to allocate a missing vote equally at 1.5 to the members present, in the event of a split vote.

7. REPORTS / DISCUSSION

Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion.

A. Environmental Department Program Activities Update

Requested Action(s): 1. Receive and file.

B. Climate Pollution Reduction Grants Funding Opportunity

Requested Action(s): 1. Receive and file.

8. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

Rod Butler, City of Jurupa Valley

9. REPORT FROM COMMITTEE REPRESENTATIVES

CALCOG, Brian Tisdale

SANDAG Borders Committee, Crystal Ruiz

SAWPA OWOW Steering Committee, Wes Speake

SCAG Regional Council and Policy Committee Representatives

WRCOG Ad Hoc Committees

10. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR

Chris Barajas, City of Jurupa Valley

11. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson

Access the report [here](#).

12. ITEMS FOR FUTURE AGENDAS

Members are invited to suggest additional items to be brought forward for discussion at future Committee meetings.

13. GENERAL ANNOUNCEMENTS

Members are invited to announce items / activities which may be of general interest to the Committee.

14. NEXT MEETING

The next Executive Committee meeting will be a Special Strategic Planning Session, scheduled for Friday, January 12, 2024, at 10:00 a.m., at the Western Municipal Water District, 14205 Meridian Parkway, Riverside.

15. ADJOURNMENT

WRCOG Executive Committee

Action Minutes

1. CALL TO ORDER

The joint meeting of the WRCOG Executive Committee and Supporting Foundation was called to order by Chair Chris Barajas at 2:00 p.m. on November 6, 2023, at the Riverside County Administrative Center, 4080 Lemon Street, 1st Floor Board Chambers, Riverside.

2. PLEDGE OF ALLEGIANCE

Vice-Chair Rita Rogers led the Committee members and guests in the Pledge of Allegiance.

3. ROLL CALL

- City of Banning - Sheri Flynn
- City of Beaumont - Mike Lara
- City of Calimesa - Wendy Hewitt
- City of Canyon Lake - Mark Terry
- City of Corona - Jacque Casillas*
- City of Eastvale - Christian Dinco
- City of Hemet - Jackie Peterson
- City of Jurupa Valley - Chris Barajas (Chair)
- City of Lake Elsinore - Brian Tisdale
- City of Menifee - Lesa Sobek
- City of Moreno Valley - Elena Baca-Santa Cruz
- City of Murrieta - Ron Holliday
- City of Norco - Kevin Bash
- City of Perris - Rita Rogers
- City of San Jacinto - Crystal Ruiz
- City of Temecula - James Stewart
- City of Wildomar - Joseph Morabito
- County, District 1 - Kevin Jeffries
- County, District 2 - Karen Spiegel
- County, District 3 - Chuck Washington
- Eastern Municipal Water District (EMWD) - Phil Paule
- Western Water - Brenda Dennstedt

* Arrived after Roll Call

Absent:

- City of Riverside
- County, District 5
- Riverside Co. Superintendent of Schools

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	San Jacinto
SECONDER:	Lake Elsinore
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3, EMWD, Western Water
ABSTAIN:	Banning abstained from item 5.A only.

A. Action Minutes from the October 2, 2023, Executive Committee Meeting

Action:

1. Approved the Action Minutes from the October 2, 2023, Executive Committee meeting.

B. Action Minutes from the June 5, 2023, WRCOG Joint Meeting of the Executive Committee and Supporting Foundation

Action:

1. Approved the Action Minutes from the June 5, 2023, WRCOG joint meeting of the Executive Committee and Supporting Foundation.

C. Finance Department Activities Update

Action:

1. Received and filed.

D. WRCOG Committees and Agency Activities Update

Action:

1. Received and filed.

E. Report out of WRCOG Representatives on Various Committees

Action:

1. Received and filed.

F. Agreement with SoCalGas for the Regional Energy Pathways Program Ambassador

Actions:

1. Approved the Standard Services Agreement with Southern California Gas Company to serve as

the Regional Energy Pathways Ambassador in Riverside and San Bernardino Counties.

2. Authorized the Executive Director to execute the Standard Services Agreement with Southern California Gas Company to serve as the Regional Energy Pathways Program Ambassador in the Riverside and San Bernardino Counties.

G. TUMF Program Activities Update: Approval of Two TUMF Reimbursement Agreement Amendments and One TUMF Credit Agreement

Actions:

1. Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Menifee increasing the Construction Phase of the Holland Road / I-215 Overpass Project in an amount not to exceed \$1,000,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$11,255,000.
2. Authorized the Executive Director to execute a TUMF Reimbursement Agreement Amendment with the City of Temecula increasing the Right-of-Way Phase with the French Valley Parkway Phase III Project in an amount not to exceed \$1,500,000. The total amount of the TUMF Reimbursement Agreement will now not exceed \$3,000,000.
3. Authorized the Executive Director to execute a TUMF Credit Agreement with the County of Riverside and Pulte Home Company, LLC, for the widening of Pigeon Pass Road from Highgrove Boulevard to 1635 feet south for a maximum credit of \$1,288,136.

6. REPORTS / DISCUSSION

A. VMT Mitigation Program Activities Update

Action:

1. Received and filed.

B. I-REN Programmatic Activities Update

Action:

1. Received and filed.

C. 2023 and 2024 WRCOG General Assembly & Leadership Address Activities Updates and Speaker Agreements

Action:

1. Authorized the Executive Director / Supporting Foundation Secretary to execute a speaker agreement between the WRCOG Supporting Foundation and the Harry Walker Agency Speakers Bureau to engage Sean McVay for the 2024 General Assembly in an amount not to exceed \$125,000 plus travel and lodging expenses.

RESULT:	APPROVED AS RECOMMENDED
MOVER:	San Jacinto
SECONDER:	Perris

AYES:	Banning, Beaumont, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, Temecula, Wildomar, District 2, District 3, EMWD, Western Water
NAYS:	Calimesa, District 1

7. REPORT FROM THE TECHNIAL ADVISORY COMMITTEE CHAIR

Technical Advisory Committee (TAC) Chair Rod Butler reported that the TAC received three presentation at its last meeting. The first was regarding the WRCOG Fellowship Program, which is now in its 8th round. There was also an informative presentation by Tom Mullen, Director of Broadband Services for Riverside County Information Technology, who talked about the County's broadband strategic plans and activities, known as RIVCO Connect, and the seven priority areas for broadband infrastructure deployment in the region. Finally, the TAC has been tasked with updating the WRCOG membership dues, which have remained the same since Fiscal Year 2009/2010. A working group has been established comprised of Dr. Grace Martin from March JPA, Betsy Lowrey from the City of Temecula, Rob Johnson from the City of San Jacinto, and Will Kolbow from the City of Calimesa, and will be chaired by himself, Rod Butler. The City of Perris will also be sending a representative, either the City Manager or the Assistant City Manager. This working group will meet over the next 2 - 3 months and make recommendations to the full TAC in January or February of 2024, which will then be presented to the Executive Committee for final discussion and action in the spring.

8. REPORT FROM COMMITTEE REPRESENTATIVES

Crystal Ruiz, SCAG Transportation Policy Committee representative, reported that the SCAG Transportation Policy Committee discussed vehicle miles traveled (VMT).

Wes Speake, SCAG Transportation Policy Committee representative, reported that the Riverside County Transportation Committee will be instituting the Smart Freeways Program in the City of Temecula. SCAG invites elected officials for a briefing on the SoCal Connect Plan on Wednesday November 8, 2023, at 11:00 a.m. at the SCAG Regional Office. Lunch and parking will be provided.

Joseph Morabito, SCAG Community, Economic & Human Development (CEHD) Committee representative, reported that CEHD also discussed the VMT. There was a Notice of Funding Availability for housing investments, of which \$4.1M was awarded to the Murrieta Housing Authorities for a revolving loan program. There will be a SCAG summit for elected officials and City Managers on December 7, 2023, in the City of Los Angeles.

9. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR

Chair Barajas had nothing to report.

10. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson reported that the Committee does not meet in January; however, the Strategic Planning session will take place on January 12, 2024, hosted by Western Water from 10:00 a.m. to 2:00 p.m. A Committee member survey will go out tomorrow morning comprised of 15 questions and members are encouraged to respond to the survey.

11. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

12. GENERAL ANNOUNCEMENTS

Committee member Karen Spiegel announced that Veteran's Day is coming up, and encouraged the Committee to thank Veterans. Last year, she started participating in a program with CSAC, lighting the County building green in honor of Veterans Day. This can also be done at home, by setting up a green porch light to show our appreciation for Veterans. There are many events at different cities; the City of Norco hosts one of the best Veteran's memorial and she encouraged everyone to take the time to go to one.

Committee member Wendy Hewitt suggested having a General Assembly speaker that reflects WRCOG's values.

13. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, December 4, 2023, at 2:00 p.m., in the County of Riverside Administrative Center, 4080 Lemon Street, 1st Floor, Board Chambers, Riverside.

14. ADJOURNMENT

The meeting was adjourned at 3:16 p.m.



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: Finance Department Activities Update and Budget Amendment
Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741
Date: December 4, 2023

Recommended Action(s):

1. Approve the Fiscal Year 2023/2024 Agency Budget Amendment.

Summary:

The Finance Department has now closed its book for Fiscal Year 2022/2023 and is currently working through its annual audit and issuance of its Annual Comprehensive Financial Report (ACFR). budget amendment is also being requested in this item, related to a settlement offer in the HERO Program being considered.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to provide information regarding Finance Department activities. This effort aligns with WRCOG's 2022-2027 Strategic Plan Goal #3 (Ensure fiscal solvency and stability of the Western Riverside Council of Governments).

Discussion:

Background

The Finance Department provides regular updates to WRCOG Committees regarding the financial status of WRCOG and also provides summaries of on-going activities that might be of interest to member agencies. The financial reports document Agency revenues and expenditures through the current fiscal year, as reported by various programs, funds, and other administrative divisions. On-going activities include the preparation of the Agency audit, budget amendments, and preparation of the WRCOG budget for consideration and approval by WRCOG Committees.

Present Situation

Fiscal Year 2022/2023 Year End and Agency Audit: The final audit started in October 2023 and is currently in process. It is anticipated to be completed with the Agency's Annual Comprehensive Financial Report to be issued by the end of calendar year 2023.

Financial Documents

All of WRCOG's most recent financial statements, budget, monthly financials, amendments, etc., are located on the Agency's website [here](#).

Fiscal Year 2023/2024 Budget Amendment

In the annual budgeting process, settlements related to the HERO program are anticipated and drawn down to fund any settlements that occur during the year. The current balance for the settlements budget is \$0. In order to facilitate the quick resolution of any potential settlements, this proposed budget amendment would move funds in the amount of \$68,500 from the General Fund fund balance to the settlement budget.

Prior Action(s):

None.

Financial Summary:

The budget amendment will increase expenditures in the HERO Program (5000) under the General Fund (110) by \$68,500. The General Fund currently has an unassigned fund balance of \$10,746,733 at the beginning of FY 2022/2023, so this will reduce the fund balance accordingly. There is a portion of the fund balance specific to the HERO Program in the General Fund, based on carryover funds from prior years, so in order to be as clear and transparent as possible, staff are working to break out the HERO Program's remaining dollars into its own separate fund going forward.

Attachment(s):

[Attachment 1 - WRCOG FY 2023/2024 Budget Amendment](#)

Attachment

FY 2023/2024
Budget Amendment

Fiscal Year 2023/2024 HERO Budget

Fund	Account	Revenues	Actual	Budget	Difference	Amendment	Revised
110	40621	Hero Admin Fees	68,495	764,000	695,505		764,000
		Total Revenues	\$ 68,495	\$ 764,000	\$ 695,505	\$ -	\$ 764,000
		Expenses					
110	60001	Stwide AB811 Salaries & Wages	72,595	314,578	241,983		314,578
110	61000	Fringe Benefit	34,744	150,558	115,814		150,558
110	63000	Overhead Allocation	71,236	284,942	213,707		284,942
110	65101	GENERAL LEGAL SERVICES	144,087	300,000	155,913		300,000
110	65505	Bank Fee	-	5,000	5,000		5,000
110	73102	Parking Validations	-	50	50		50
110	73109	Computer Supplies	-	1,000	1,000		1,000
110	73110	Computer Software	2,880	3,510	630		3,510
110	73113	NWCC- Membership Dues	-	250	250		250
110	73114	Subscriptions/Publications	-	1,000	1,000		1,000
110	73115	Meeting Support Services	-	100	100		100
110	73116	Postage	40	750	710		750
110	73204	Cellular Phone	331	1,500	1,169		1,500
110	73504	Data Processing Support	6,763	21,000	14,237		21,000
110	73506	Recording Fee	1,674	7,500	5,826		7,500
110	73601	Seminar/Conferences	-	500	500		500
110	73611	Travel - Mileage Reimbursement	33	1,000	967		1,000
110	73650	Training	-	500	500		500
110	81010	Compliance Settlements	35,000	35,000	-	68,500	103,500
110	85101	CA HERO Direct Exp	-	40,000	40,000		40,000
		Total Expenses	\$ 369,383	\$ 1,168,738	\$ 799,355	\$ 68,500	\$ 1,237,238



Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: WRCOG Committees and Agency Activities Update
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: December 4, 2023

Recommended Action(s):

1. Receive and file.
-

Summary:

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of November 2023.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to inform the Committee of actions and activities from WRCOG standing Committee meetings. This item aligns with WRCOG's 2022-2027 Strategic Plan Goal #4 (Communicate proactively about the role and activities of the Council of Governments).

Discussion:

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of November 2023.

Prior Action(s):

November 6, 2023: The Executive Committee received and filed.

Financial Summary:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment(s):

[Attachment 1 - WRCOG Committees Activities Update November 2023](#)



Western Riverside Council of Governments Executive Committee Meeting Recap November 6, 2023

Following is a summary of key items discussed at the last Executive Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10071/EC-1123-AP>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10087/1123-EXEC-PPT>

VTM Mitigation Program Activities Update

- Chris Gray, WRCOG Deputy Executive Director, presented an update on a potential WRCOG initiative to help WRCOG member agencies mitigate VMT impacts.
- The State of California now requires that municipalities evaluate a project's impacts on VMT before that project can be approved.
- VMT reflects the total vehicular travel associated with a project and is calculated based on the total number of trips multiplied by the distance these vehicles travel. Previously, a municipality was required only to evaluate the number of trips generated by a project. VMT reflects the regional transportation impact generated by a project. See this short video for a [VMT explainer](#).
- Since most daily travel occurs on a regional basis, any VMT impact can be difficult to reduce or eliminate in compliance with State requirements. Projects and programs which reduce VMT can also be costly for a municipality to implement by itself.
- WRCOG is evaluating a voluntary regional program with support from its member agencies, regional stakeholders, and other parties. WRCOG is preparing a program manual for further consideration by WRCOG Committees. Once this program manual is complete WRCOG will bring this item forward for additional discussion and potential action.

I-REN Programmatic Activities Update

- Benjamin Druyon, WRCOG Program Manager, presented an update on the Inland Regional Energy Network's (I-REN) programmatic activities. To stay up to date with I-REN, please visit the newly launched website, iren.gov where you will find information about registering for upcoming energy code trainings, receiving updates on the I-REN Energy Fellowship Program, and other offerings as we continue to roll out I-REN services.
- The I-REN Energy Fellowship officially launched in September with nine fellows now working in cities. The Fellowship will continue through August 2024 as Fellows support cities' energy projects and connecting agencies with I-REN services. More Fellows will be brought on to start in January 2024 and serve cities for eight months.
- The I-REN team has been hard at work hosting events and trainings for the entire I-REN territory, San Bernardino and Riverside Counties. During the summer, staff hosted 15 I-REN orientations in the community with 125 participants from 39 different public agencies. The Codes & Standards team hosted six virtual trainings on the energy code and over 50 building and city staff attended.
- I-REN staff are reaching out to host 1-on-1 meetings with city staff to further discuss Public Sector offerings and tailoring services to meet the cities' energy needs. So far, staff have met with 15 agencies across San Bernardino and Riverside Counties. Staff still need to schedule meetings with the following WRCOG member agencies: Cities of Banning, Eastvale, Hemet, Lake Elsinore, Menifee, Perris, Riverside, San Jacinto, and Wildomar.

2023 and 2024 WRCOG General Assembly & Leadership Address Activities Update and Speaker Agreement

- The 2023 General Assembly & Leadership Address attracted 651 attendees, comprised of community stakeholders, elected officials, and dignitaries from around the region, while generating \$357,000 in revenue and netting an income of \$73,000 after expenses.
- With the 2024 General Assembly & Leadership Address scheduled for June 20, 2024, plans are developing. The General Assembly Ad Hoc Committee vetted various Speakers Bureaus and speakers, and proposed NFL Rams Coach Sean McVay for the 2024 event.
- WRCOG received direction from the Supporting Foundation to execute an agreement between the WRCOG Supporting Foundation and the Harry Walker Agency Speakers Bureau to engage Sean McVay for the 2024 General Assembly in an amount not to exceed \$125,000 plus travel and lodging expenses.

Next Meeting

The next Executive Committee meeting is scheduled for Monday December 4, 2023, at 2:00 p.m., in the County of Riverside Administrative Center, 4080 Lemon Street, 1st Floor, Board Chambers, Riverside.



Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
November 8, 2023

Following is a summary of key items discussed at the last Administration & Finance Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10085/af-1123-ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10096/AF-PPT-1123>

Climate Pollution Reduction Grants Funding Opportunity

- The 2022 Inflation Reduction Act created \$5B grant program for municipalities, states, tribes, and territories to implement projects, programs and policies to reduce GHG emissions by 2030.
- Two phases – planning and implementation; planning effort underway being led by San Bernardino Council of Governments with WRCOG, CVAG, and AQMD involved. Planning phase deliverable due March 1, 2024. Implementation application due April 1, 2024.
- Implementation funding to be allocated based on Metropolitan Statistical Areas (MSA) in competitive solicitation.
- Based on the size of Riverside / San Bernardino / Ontario MSA, estimated size of grant, if awarded, would be in the \$100M - \$199M range.

Next Meeting

The next Administration & Finance Committee meeting is scheduled for Wednesday, December 13, 2023, at 12:00 p.m., in WRCOG's office at 3390 University Avenue, Suite 200.



Western Riverside Council of Governments
Solid Waste Committee
Meeting Recap
November 15, 2023

Following is a summary of major items discussed at the November 15, 2023, Solid Waste Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10092/swc1123ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10100/swcppt1123>

Love Your Neighborhood Program Activities Update

- There have been six events to date, with a total of 558 trash bags and over 3 tons trash collected.
- The City of Corona has free Community Clean up Kits available for residents.
- The Program can be utilized for stormwater compliance.

ReCollect Update

- Offers four tools: a calendar to remind residents of collection dates, a waste wizard search engine that provides information on how to properly dispose or recycle the inputted material, a waste sorting game, and messaging features to provide information to residents and businesses.
- Messaging features are available to set reminders and provide public service alerts and announcements. Additionally, the search feature tracks user's searched items, providing valuable insights for the development of social media campaigns.
- The ReCollect widget is offered at no additional cost. Contact support@routeware.com for additional information. If your city is interested in integrating the ReCollect tool into its website, please contact Mei Wu at mwu@wrcog.us.

Regional Food Rescue & Technical Assistance Program Activities Update

- Authorization letters are in progress to allow inspectors from MSW and Mariposa to work with generators / FROs in each participating city.
- Inspections on Tier I / Tier II have commenced.
- Feeding America will report compliance with all FROs that work with them.

Next Meeting

The next Solid Waste Committee meeting is scheduled for Wednesday, February 21, 2024, at 1:00 p.m., in WRCOG's office at 3390 University Avenue, Suite 200, Riverside.



**Western Riverside Council of Governments
Technical Advisory Committee
Meeting Recap
November 16, 2023**

Following is a summary of key items discussed at the last Technical Advisory Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/10099/tac1123ap>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/10101/TAC-PPT-1123>

Thrive Inland SoCal Presentation

- Amplify Communities and the regional conveners, Inland Economic Growth & Opportunity (IEGO) and Inland Empire Labor Institute (IELI), presented on how jurisdictions can engage in the Thrive Inland SoCal project.
- Thrive Inland SoCal is dedicated to building an equitable and inclusive region where all residents have a say in shaping their collective economic future while addressing historic inequities.
- Amplify Communities is facilitating conversations for the subregional table in the Greater Riverside area, which includes the Cities of Banning, Beaumont, Corona, Eastvale, Hemet, Jurupa Valley, Moreno Valley, Norco, Perris, Riverside, and San Jacinto. Any agencies interested in participating in the subregional table are encouraged to reach out to Cynthia Mejia of Amplify Communities at cmejia@nationalcore.org.

I-REN Programmatic Activities Updates

- The newly launched website, iren.gov, provides information about registering for upcoming energy code trainings, receiving updates on the I-REN Energy Fellowship Program, and other offerings as I-REN services continue to roll out.
- The I-REN Energy Fellowship officially launched in September with nine fellows now working in cities. The Fellowship will continue through August 2024 as Fellows support cities' energy projects and connect agencies with I-REN services. More Fellows will be brought on to start in January 2024 and serve cities for eight months.
- The I-REN team has been hard at work hosting events and trainings for the entire I-REN territory (San Bernardino and Riverside Counties). During the past summer, staff hosted 16 I-REN orientations in the communities with over 130 participants from 40 different public agencies. The Codes & Standards team hosted 10 virtual trainings on the energy code and over 80 building and city staff attended.
- I-REN staff are reaching out to host 1-on-1 meetings with city staff to further discuss Public Sector offerings and tailoring services to meet the cities' energy needs. So far, staff have met with 23 agencies across San Bernardino and Riverside Counties. Staff still need to schedule meetings with the following WRCOG member agencies: Banning, Eastvale, Lake Elsinore, Menifee, Perris, Riverside, San Jacinto, and Wildomar. Please have staff contact Karina Camacho at kcamacho@wrcog.us to set up a meeting with the I-REN team.

Climate Pollution Reduction Grants Funding Opportunities

- The 2022 Inflation Reduction Act created a \$5B grant program for municipalities, states, tribes, and territories to implement projects, programs and policies to reduce GHG emissions by 2030.

- There are two phases – planning and implementation. Planning efforts are underway, being led by SBCOG; WRCOG, CVAG, and AQMD are also involved. The Planning phase deliverable is due March 1, 2024. The Implementation application is due April 1, 2024.
- Implementation funding is to be allocated based on Metropolitan Statistical Areas (MSA) in competitive solicitation.
- Based on the size of Riverside / San Bernardino / Ontario MSA, the estimated size of the grant, if awarded, would be in the \$100M - \$199M range.
- WRCOG is asking each member agency to designate one staff person as the point of contact to provide input on how to move forward with CPRG funding and ideas for reducing GHG emissions throughout the MSA. Please have staff contact Karina Camacho, kcamacho@wrcog.us.

Next Meeting

The next Technical Advisory Committee meeting is scheduled for Thursday, January 18, 2024, at 9:30 a.m. in the WRCOG office at 3390 University Avenue, Riverside.



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: Report out of WRCOG Representatives on Various Committees
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: December 4, 2023

Recommended Action(s):

1. Receive and file.

Summary:

One key function of the Executive Committee is that it appoints representatives to various outside agencies, groups, and committees to represent WRCOG. This Staff Report summarizes activities related to CALCOG, the SANDAG Borders Committee, and the SAWPA OWOW Steering Committee.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item to provide information regarding various external agencies, groups, and committees related to WRCOG where WRCOG has appointed one or more representative(s) to serve as its representative. This item supports WRCOG's 2022-2027 Strategic Plan Goal #4 (Communicate proactively about the role and activities of the Council of Governments).

Discussion:

CALCOG Board of Directors (Brian Tisdale)

The CALCOG Board of Directors has not met since its last meeting on September 18, 2023. The next CALCOG Board of Directors meeting and retreat is scheduled for December 7 & 8, 2023.

SANDAG Borders Committee (Crystal Ruiz)

The SANDAG Borders Committee met on November 15, 2023. Agenda highlights include:

1. SANDAG Tribal Program Update.
2. Sovereignty and Tribal Nations in the Region.
3. Native American Cultural Monitoring.
4. Preliminary Employment Center Data on Tribal Nations in San Diego County.
5. Funding opportunities for Tribal Nations.

The next SANDAG Borders Committee meeting is scheduled for December 22, 2023.

SAWPA OWOW Steering Committee

The SAWPA OWOW Steering Committee met on November 16, 2023. Agenda highlights include:

1. Amend One Water One Watershed Plan Update 2018 for Stormwater Plan Projects.
2. Propositions 84 and 1 Project Status.
3. California Water Plan Update 2023 Public Review Draft.
4. Grant Funded Project Highlights.
5. Watershed-wide Basin Monitoring Program Task Force Update.
6. Integrated Climate Adaptation and Resiliency Program Regional Resilience Planning and Implementation Grant Program.
7. Weather Modification Update.

The next SAWPA OWOW Steering Committee meeting is scheduled for January 25, 2024.

Prior Action(s):

November 6, 2023: The Executive Committee received and filed.

Financial Summary:

Appointed Committee members are paid \$150 to attend their respective meetings. WRCOG stipends are included in the Agency's adopted Fiscal Year 2023/2024 Budget under the Administration Department in the General Fund (Fund 110).

Attachment(s):

[Attachment 1 - SANDAG Borders Committee 111523](#)

[Attachment 2 - SAWPA OWOW Steering Committee 111623](#)

Attachment

SANDAG Borders Committee
agenda 111523



Borders Committee - Tribal Symposium Agenda

**Wednesday, November 15, 2023
1 p.m.**

Welcome to SANDAG. The Borders Committee (BC) Tribal Symposium meeting scheduled for Wednesday, November 15, 2023, will be held in person in the SANDAG Board Room. While Borders Committee members will attend in person, members of the public will have the option of participating either in person or virtually.

For public participation via Zoom webinar, click the link to join the meeting: <https://us02web.zoom.us/j/81654084638>

Webinar ID: 816 5408 4638

To participate via phone, dial a number based on your current location in the US:

+1 (669) 900-6833 +1 (929) 205-6099 International numbers available: <https://us02web.zoom.us/j/81654084638>

SANDAG relies on commercial technology to broadcast the meeting via Zoom. If we experience technical difficulty or you are unexpectedly disconnected from the broadcast, please close and reopen your browser and click the link to rejoin the meeting. SANDAG staff will take all possible measures to ensure a publicly accessible experience.

Public Comments: Members of the public may speak to the BC on any item at the time the BC is considering the item. Public speakers are generally limited to three minutes or less per person.

Persons who wish to address the members on an item to be considered at this meeting, or on non-agendized issues, may email comments to the Clerk at clerkoftheboard@sandag.org (please reference BC Tribal Symposium meeting in your subject line and identify the item number(s) to which your comments pertain). Comments received by 4 p.m. the business day before the meeting will be provided to members prior to the meeting. All comments received prior to the close of the meeting will be made part of the meeting record.

If you desire to provide in-person verbal comment during the meeting, please fill out a speaker slip, which can be found in the lobby. If you have joined the Zoom meeting by computer or phone, please use the "Raise Hand" function to request to provide public comment. On a computer, the "Raise Hand" feature is on the Zoom toolbar. By phone, enter *9 to "Raise Hand" and *6 to unmute. Requests to provide live public comment must be made at the beginning of the relevant item, and no later than the end of any staff presentation on the item. The Clerk will call on members of the public who have timely requested to provide comment by name for those in person and joining via a computer, and by the last three digits of the phone number of those joining via telephone. Should you wish to display media in conjunction with your comments, please inform the Clerk when called upon. The Clerk will be prepared to have you promoted to a position where you will be able to share your media yourself during your allotted comment time. In-person media sharing must be conducted by joining the Zoom meeting on the personal device where the content resides. Please note that any available chat feature on the Zoom meeting platform should be used by panelists and attendees solely for procedural or other "housekeeping" matters as comments provided via the chat feature will not be retained as part of the meeting record. All comments to be provided for the record must be made in writing via email or speaker slip, or verbally per the instructions above.

In order to keep the public informed in an efficient manner and facilitate public participation, SANDAG provides access to all agenda and meeting materials online at sandag.org/meetings. Additionally, interested persons can sign up for email notifications at sandag.org/subscribe. A physical copy of this agenda may be viewed at the SANDAG Toll Operations Office, 1129 La Media Road, San Diego, CA 92154, at any time prior to the meeting.

To hear the verbatim discussion on any agenda item following the meeting, the [audio/video](#) recording of the meeting is accessible on the SANDAG website.

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Los materiales de la agenda de SANDAG están disponibles en otros idiomas. Para hacer una solicitud, llame al (619) 699-1900 al menos 72 horas antes de la reunión.



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Esta reunión se llevará a cabo en inglés, y se ofrecerá interpretación simultánea en español. Se ofrecerá interpretación en otros idiomas previa solicitud a ClerkoftheBoard@sandag.org al menos 72 horas antes de la reunión.

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[免費語言協助 | 免費語言協助 | مجانية لغوية مساعدة | 무료 언어 지원 | رایگان زبان کمک | 無料の言語支援 |](#)

[Бесплатная языковая помощь | Assistència lingüística gratuita | मुफ्त भाषा सहायता | Assistance linguistique gratuite |](#)

[ផ្លូវការណ៍ឥតគិតថ្លៃ | ఉచిత భాషా సహాయం | ການຊ່ວຍເຫຼືອດ້ານພາສາຟຣີ | Kaalmada Luqadda ee Bilaashka ah |](#)

[Безкоштовна мовна допомога | sandag.org/LanguageAssistance | \(619\) 699-1900](#)

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Vision Statement: *Pursuing a brighter future for all*

Mission Statement: *We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.*

Our Commitment to Equity: *We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.*

We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. The SANDAG equity action plan will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.

We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.

Borders Committee

Wednesday, November 15, 2023

Comments and Communications

1. Non-Agenda Public Comments/Member Comments

Members of the public shall have the opportunity to address the Borders Committee on any issue within the jurisdiction of Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. Public comments under this agenda item will be limited to five public speakers. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Borders Committee members and SANDAG staff also may present brief updates and announcements under this agenda item.

2. Welcome Remarks

Deputy Evelyn Sanchez and Linda Sacks

Deputy Evelyn Sánchez, Baja California State Legislature's Commission of Indigenous and Social Welfare Commission, and Linda Sacks, California Native American Legislative Caucus, will welcome members to the Borders Committee meeting and Tribal Symposium.

Consent

+3. SANDAG Tribal Program Update

Information

Paula Zamudio, SANDAG

This report provides a summary of the SANDAG Tribal Program.

[SANDAG Tribal Program Update.pdf](#)

[Att. 1 - Tribal Lands in the SD Region.pdf](#)

Reports

4. Sovereignty and Tribal Nations in the Region

Information

Southern California Tribal Chairmans Association

Southern California Tribal Chairman's Association leadership will present an overview of the United States Constitution and treaties that recognize Native American communities as sovereign nations within the territorial boundaries of the United States.

+5. Native American Cultural Monitoring

Information

Ray Teran, Viejas Band of Kumeyaay Indians; Rafael Reyes and Sarah Allred, Caltrans; Keith Greer, SANDAG

SANDAG, Caltrans, and Viejas Band of Kumeyaay Indians staff will present information on preserving and protecting tribal cultural resources through cultural monitoring and updates on cultural monitoring efforts.

[Att. 1 - Caltrans Tribal FAQ.pdf](#)

- 6. Preliminary Employment Center Data on Tribal Nations in San Diego County** Discussion
Naomi Young, SANDAG

Staff will present an update regarding the preliminary insights on SANDAG's employment centers within tribal nations in San Diego County and lead a discussion on economic development opportunities for tribal nations.

- 7. Funding opportunities for Tribal Nations** Discussion
Antoinette Meier, SANDAG; Steve Lockett and Kaitlyn Elliot-Norgrove, County of San Diego; Robin Owen, Caltrans

SANDAG, County of San Diego, and Caltrans staff will present information on grant funding opportunities available for tribal nations and lead a discussion on tribal funding needs.

- 8. Upcoming Meetings**
The next Borders Committee meeting is scheduled for Friday, December 22, 2023, at 1 p.m.

- 9. Adjournment**

+ next to an agenda item indicates an attachment

November 15, 2023

SANDAG Tribal Program Update

Overview

The San Diego region is home to 18 Native American reservations represented by 17 Tribal Governments, the most in any county in the United States. Native American reservations are comprised of more than 127,000 acres in the San Diego region, making up approximately four percent of the region's land base. All the reservations are located within the unincorporated eastern portion of the county.

Executive Order 13175 requires consultation and coordination with Indian tribal governments. SANDAG has a significant history working with tribal governments in the region. The first San Diego

Regional Tribal Summit was hosted by SANDAG in 2002 and brought together elected leaders from the 19 local governments who make up the Board of Directors and the 18 federally recognized tribal governments in the San Diego region. In 2007, the Board and the Southern California Tribal Chairmen's Association (SCTCA) signed an agreement that gave tribes an advisory role on the Board and committees, solidifying a unique local government-to-government framework.

Key Considerations

Going back more than two decades, SANDAG, tribes, and the SCTCA have continued to partner on policy areas of mutual interest. The SANDAG tribal program consists of the following primary efforts:

Tribal Consultation Plan

The government-to-government framework established between tribal governments and SANDAG assures meaningful engagement in complex regional planning and policy decisions. This type of arrangement is uncommon at the local or regional level as it has been most commonly applied at the state and federal levels. As part of the Regional Plan update, SANDAG and the SCTCA establish a Memo Of Understanding and work plan that details priorities and how we will collaborate. The tribal consultation process for the 2025 Regional Plan kicked off early this year and will be ongoing throughout the plan development process.

Ongoing Collaboration

Tribal leaders as well as representatives from the Bureau of Indian Affairs (BIA), County of San Diego, Caltrans, Metropolitan Transit System (MTS), and North County Transit District (NCTD) meet with SANDAG quarterly through the [Interagency Technical Working Group on Tribal Transportation Issues](#). This working group has been meeting regularly since 2006. A Tribal Taskforce was more recently established and is comprised of tribal members and staff who work in planning, as well as representatives from the BIA, County of San Diego, Caltrans, MTS, and NCTD. The technical group meets monthly to establish priorities and projects for regional collaboration with tribal leaders, agenda settings for the working group, and coordinate other opportunities and efforts of mutual interest.

Action: Information

This report provides a summary of the SANDAG Tribal Program.

Fiscal Impact:

\$60,000 allocation from FY 2024 Overall Work Program Project No. 3100404 for tribal consultation with Southern California Chairman's Association.

Schedule/Scope Impact:

None.

Since 2023, a joint Regional Tribal Summit has traditionally been convened by SANDAG and tribal leaders every four years to bring leaders together to discuss policy issues of mutual interest related to transportation and regional planning. First held in 2019, Tribal Symposiums have taken place between tribal leaders and the SANDAG Borders Committee, also to discuss policy areas of mutual interest.

Regional Planning Projects and Programs

In 2018, the [Intraregional Tribal Transportation Strategy](#) (ITTS) was completed to address the tribal transportation needs in the San Diego region. The ITTS identifies tribal transportation needs and improvements that support mobility, emergency evacuation, and safety to advance the transportation goals of tribal reservations now and into the future. An update was published in March 2022, and is being used to inform ongoing planning efforts, including the Regional Plan and Comprehensive Multimodal Corridor Plans.

Work is ongoing on two ITTS projects identified as early action tribal capital projects - improvements to State Route 76 from Rice Canyon Road to Pala Reservation and interchange improvements at Interstate 8 and West Willows Road. SANDAG allocated \$5 million to advance the two ITTS projects to complete advanced planning and engineering work needed to take the projects from planning to implementation.

Staff partnered with the La Jolla Band of Luiseño Indians on their Safe Streets and Roads for All Action Plan in tandem with the agency's Vision Zero Action Plan to create a tribal safety action plan on the same timeline as SANDAG's Regional Plan. The regional Vision Zero Action Plan will allow tribes to be eligible to apply for implementation funds.

SANDAG will distribute \$1.5 million of the funding received through the state's Regional Early Action Planning Grants of 2021 to the SCTCA. The funds will accelerate plans for housing development on or near tribal reservations.

The SCTCA and SANDAG also applied jointly and were awarded nearly \$500,000 for a Local Agency Technical Assistance grant to improve internet connectivity for Tribal Digital Village, a tribal-led internet network that serves 105 tribal buildings and up to 500 households. The project will include an internet connectivity plan and implementation strategy for high-quality internet service to tribal lands.

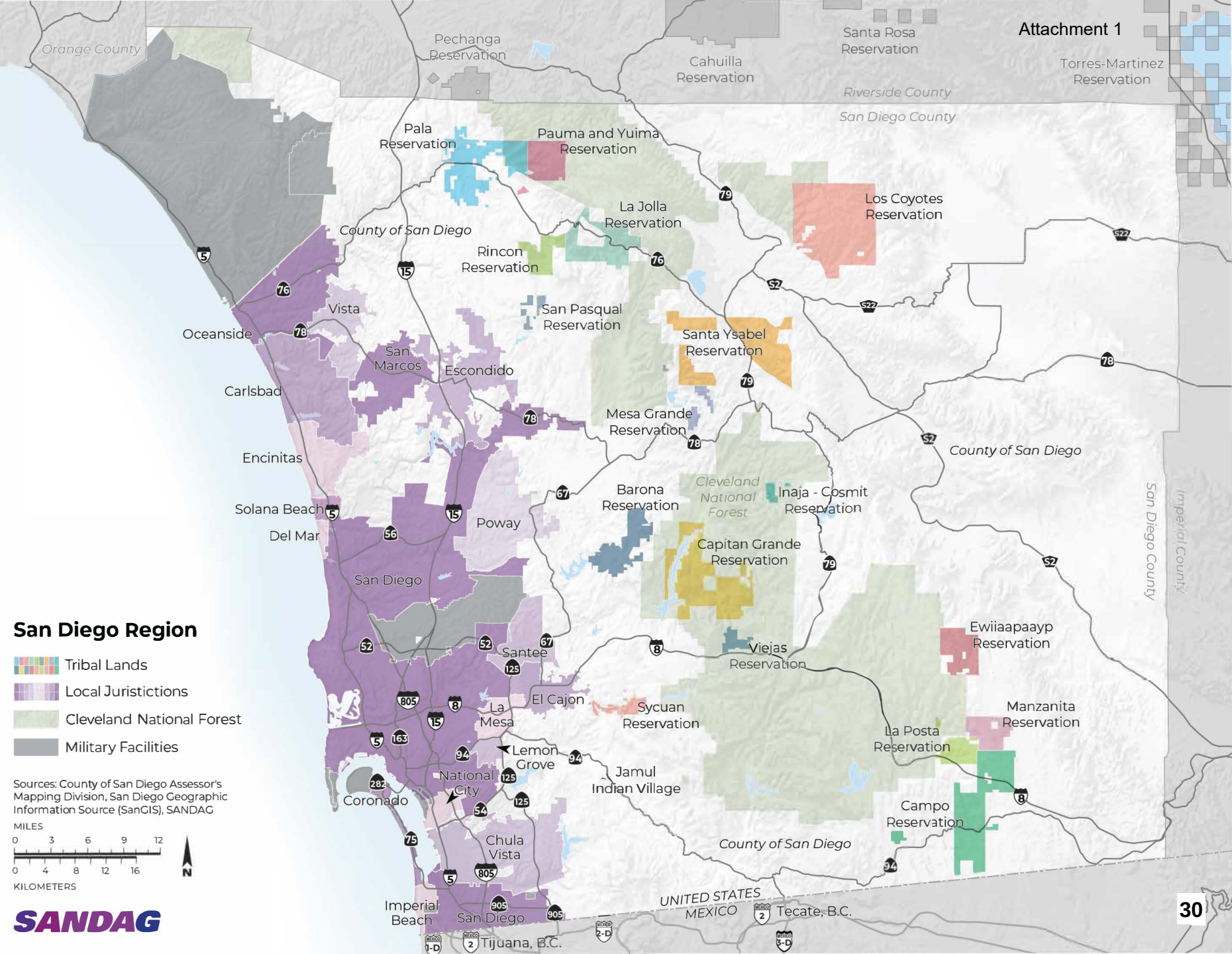
Next Steps

Staff will bring an update on priority projects as they are advanced. As the tribal program evolves, staff will bring additional updates to the Transportation Committee. Plans are underway to convene a Tribal Summit in the spring of 2024.

Antoinette Meier, Senior Director of Regional Planning

Key Staff Contact: Paula Zamudio, (619) 515-1189, paula.zamudio@sandag.org

Attachment: 1. Tribal Lands in the San Diego Region





Native American Consultation and Consideration of Tribal Traditional Knowledge

FREQUENTLY ASKED QUESTIONS

1. How does Caltrans determine which California Native American Tribes to consult as part of the department's cultural resources investigations?

Caltrans conducts outreach to all culturally-affiliated [California Native American Tribes](#) to invite them to consult about the identification, significance, and potential effects of transportation projects on environmental and cultural heritage resources within their tribal ancestral territories.

Caltrans relies on the list of California Native American Tribes maintained by the California Native American Heritage Commission (NAHC) to identify all appropriate culturally-affiliated, federally and/or non-federally recognized tribal governments and/or organizations with whom Caltrans may consult concerning potential effects to tribal heritage resources.

[Chapter 3, Section 3.4.4](#) in [Volume 2](#), of [Caltrans' Standard Environmental Reference \(SER\)](#) provides greater detail on how Caltrans identifies and engages with tribal consulting parties for environmental reviews and cultural resources investigations.

2. When does Caltrans initiate consultation with California Native American Tribes for transportation projects?

As part of project-level environmental compliance processes, Caltrans' Cultural Resources staff initiate outreach and consultation with culturally affiliated Native American tribes when a project has been *programmed and funded* by the California Transportation Commission (CTC) *and* when Caltrans' staff have been directed to begin environmental technical studies for the project. This is commonly referred to as the "*Begin Environmental*" milestone for Caltrans and is a key trigger for the initiation of consultation with tribes under federal and state historic preservation and environmental protection laws. Consultation with tribal consulting parties continues throughout the life of a project when important tribal heritage resources are, or may be, affected by a project. [Chapter 3, Section 3.4.2](#) discusses in greater detail the timing and initiation of project-specific tribal consultation, including Caltrans' responsibilities for ongoing consultation with tribes during transportation project delivery.

Consultations between tribes and Caltrans during the project-level environmental review process is only one aspect of the Department's broader tribal government diplomatic responsibilities under Caltrans' [Director's Policy 19](#) , [CalSTA's Tribal Consultation Policy](#), and the [Governor's Executive Order B-10-11](#).

[Chapter 3, Exhibit 3.2](#) presents a timeline of the transportation planning and delivery processes and identifies opportunities in which tribes and Caltrans can engage on a wide range of transportation, land use, environmental, and/or cultural heritage issues of interest to tribal communities. [Chapter 3, Section 3.6](#) provides further discussion about Caltrans' tribal government diplomatic responsibilities and early engagement and coordination efforts.



3. How can tribes ensure that their cultural and natural heritage interests are adequately considered as part of Caltrans' project decisions and outcomes? How can tribal traditional knowledge (TTK) be better considered during Caltrans' cultural resources and environmental studies?

Tribal government leaders are encouraged to clearly identify and designate their tribe's cultural representatives and tribal heritage experts who they deem are best suited to represent their tribe's cultural/natural stewardship interests and concerns during Caltrans' transportation planning and development processes. [Chapter 3, Section 3.4](#), describes in detail Caltrans' responsibilities for communicating and consulting with culturally-affiliated tribes throughout the project delivery process. Given the central importance of the NAHC as the State's source of contact information for culturally affiliated tribes, tribal governments and organizations are encouraged to ensure that their contact information is maintained on the NAHC's Tribal Contact List.

As an outcome of diplomatic and/or project-level consultation between Caltrans and tribal governments, the parties may agree that it is necessary and appropriate for one or more designated tribal cultural representatives to participate in and/or contribute to Caltrans' cultural resources studies (e.g., tribal monitoring, field surveys, special studies, etc.) to support the consideration of Tribal Traditional Knowledge (TTK). TTK is defined in detail in the [California Health and Safety Code 8012 \(p\)](#). According to this definition, TTK is "Expert Opinion." Caltrans welcomes collaborations with tribal cultural leaders and/or 'Tribal Experts' in the context of the department's cultural resources studies to help promote the acknowledgement and protection of tribal ancestral lands and cultural heritage resources.

The role of a 'Tribal Expert' is defined in Caltrans' [Standard Environmental Reference \(SER\)](#) in [Volume 2, Chapter 3, Section 3.3.4.6](#), as a tribal representative who is deemed by the tribe to possess special expertise or Tribal Traditional Knowledge (TTK). When agreed upon by the parties, Tribal Experts are designated by their tribal leadership to participate in Caltrans' cultural studies and may include such representatives as Tribal Cultural Resources/Environmental Managers, Tribal Historic Preservation Officers (THPOs), Elders, Culture Keepers, and/or Traditional Leaders, etc.

Each tribe, project, and cultural resource investigation is unique, and the nature and type of Tribal Expert participation may vary widely. Monitoring of Caltrans' project activities and/or cultural studies is one of the more common activities performed by tribal cultural experts and is an important opportunity for culturally affiliated Native American tribes to oversee and steward their ancestral lands and heritage resources. [Chapter 3, Section 3.4.7](#), as well as [Exhibit 3.3](#), provide a more detailed discussion on the types of activities that may be conducted by Tribal Experts to support the consideration of TTK during Caltrans' cultural resources and environmental studies.



4. Does Caltrans provide reimbursements to Tribal Cultural Experts? What methods and rates of reimbursement are available?

Yes, Caltrans reimburses designated Tribal Experts for time and expenses incurred as a result of their participation in Caltrans' cultural resources investigations and/or other related activities for which stewardship or the integration of TTK is necessary.

Methods for reimbursing Tribal Experts are dictated by state and federal fiscal and procurement authorities and may vary among the Districts due to the differing needs and capacities of both the tribes and the Districts. The most common method of reimbursement involves providing compensation to tribal representatives, as specialized experts via the District's Prime On-Call Cultural Resources Management (CRM) Contract. In establishing an appropriate rate of reimbursements for tribal expertise and activities, Caltrans complies with the Code of Federal Regulations Title 23, Chapter I, Subchapter B, Part 172, which requires that the established pay rates be "fair and reasonable." [Chapter 3, Exhibit 3.4](#) provides more detailed guidance methods and rates of reimbursements for Tribal Expert participants.

5. Can a tribally-owned monitoring company be hired to do monitoring work on Caltrans projects?

The need for tribal monitoring, or any other activity that may be conducted by a Tribal Expert, is an outcome of consultation between Caltrans and the culturally affiliated Native American Tribe(s). The use of an unaffiliated, for-profit, competitive, commercial business for tribal monitoring activities is not consistent with the diplomatic and consultative basis for the integration of TTK and the participation of culturally affiliated tribal people.

The culturally affiliated tribe with whom Caltrans consults on a given project may designate the Tribal Cultural Expert they wish to represent their tribe's cultural heritage interests. If a tribe chooses to designate an unaffiliated tribally-owned monitoring company as their tribe's representative, Caltrans will not object. Otherwise, unless expressly designated by a consulting tribe, the use of an unaffiliated, commercial tribal monitoring company would not be appropriate.

6. Can tribes enter into contracts directly with Caltrans for Tribal Cultural Expert reimbursements?

Under the [California Streets and Highways Code 94](#), Caltrans is authorized to make and enter into contracts with Native American Tribes for activities related to cultural resources management and environmental studies. Such contracts would require the inclusion of a *limited* waiver of sovereign immunity. The limited waiver would identify the specific conditions under which the tribe would agree that Caltrans can pursue legal remedies. Likewise, a tribe would reserve all rights to enforce terms and conditions of an agreement with Caltrans. Making and entering into time-intensive contractual arrangements on a project-by-project basis has thus far not proven to be an effective approach for the reimbursement of tribal monitoring/expertise.



Quick Reference Links to Caltrans Statewide Native American Consultation Guidance

([Chapter 3/Volume 2](#) of the department's [Standard Environmental Reference](#))

Chapter 3 Sections

- 3.1 – Intro/Overview
- 3.2 – Legal/Regulatory Context
- 3.3 – Organizational Roles and Responsibilities
- 3.4 – Procedures for Native American Consultation During Project Delivery
- 3.5 – Tribal Coordination on Maintenance and Encroachment Activities
- 3.6 – Tribal Government Diplomacy and Early Coordination

Chapter 3 Exhibits

- [Exhibit 3.1 – Key Policies, Directives, Guidance, & Laws for Tribal Diplomacy and Consultation](#)
- [Exhibit 3.2 – Transportation Development / Tribal Engagement Timeline](#)
- [Exhibit 3.3 – Consultation and Integration of Tribal Expertise](#)
- [Exhibit 3.4 – Guidance on Reimbursements for Tribal Expertise](#)
- [Exhibit 3.5 – Tribal Outreach and Consultation Log](#)
- [Exhibit 3.6 – Director's Policy 19: Working with Native American Communities](#)

Questions and/or Comments? We welcome and encourage feedback on our policies and procedures. Please contact the Cultural Studies Office at CSO.Info@dot.ca.gov, and/or the Native American Cultural Studies Branch at NACS.Info@dot.ca.gov, in the Caltrans Headquarters Division of Environmental Analysis at CSO.

Attachment

SAWPA OWOW Steering Committee
agenda 111623



...A United Voice for the Santa Ana River Watershed

OWOW Steering Committee Members

Brenda Dennstedt, Convener | SAWPA Commissioner
T. Milford Harrison, SAWPA Commissioner
Vicente Sarmiento, Orange County Supervisor
Karen Spiegel, Riverside County Supervisor
Jesse Armendarez, San Bernardino County Supervisor
James Hessler, Altman Plants

Garry W. Brown, Orange County Coastkeeper
William Ruh, Regional Water Quality Control Board
Deborah Robertson, Mayor, City of Rialto
Wes Speake, Councilmember, City of Corona
Nicholas Dunlap, Mayor Pro Tem, City of Fullerton

THIS MEETING WILL BE CONDUCTED IN A HYBRID FORMAT, OFFERING BOTH VIRTUAL PARTICIPATION AND IN-PERSON ATTENDANCE, PROVIDING AN OPPORTUNITY FOR PUBLIC COMMENT. ALL VOTES TAKEN WILL BE CONDUCTED BY ORAL ROLL CALL.

Meeting Access Via Computer (Zoom):	Meeting Access Via Telephone:
• https://sawpa.zoom.us/j/84667803353 • Meeting ID: 846 6780 3353	• 1 (669) 900-6833 • Meeting ID: 846 6780 3353

**REGULAR MEETING OF THE
OWOW STEERING COMMITTEE
SAWPA, 11615 STERLING AVENUE, RIVERSIDE, CA 92503
THURSDAY, NOVEMBER 16, 2023 – 11:00 A.M.**

AGENDA

1. CALL TO ORDER | PLEDGE OF ALLEGIANCE (Brenda Dennstedt, Convener)

2. PUBLIC COMMENTS

Members of the public may address the Committee on items within the jurisdiction of the Committee; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

Members of the public may make comments in-person or electronically for the Committees' consideration by sending them to publiccomment@sawpa.org with the subject line "Public Comment". Submit your electronic comments by 5:00 p.m. on Wednesday, November 15, 2023. All public comments will be provided to the Chair and may be read into the record or compiled as part of the record. Individuals have a limit of three (3) minutes to make comments and will have the opportunity when called upon by the Committee.

3. ITEMS TO BE ADDED OR DELETED

Pursuant to Government Code §54954.2(b), items may be added on which there is a need to take immediate action and the need for action came to the attention of the Santa Ana Watershed Project Authority subsequent to the posting of the agenda.



...A United Voice for the Santa Ana River Watershed

4. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine and non-controversial and will be acted upon by the Committee by one motion as listed below.

- A. APPROVAL OF MEETING MINUTES: JULY 27, 20235
Recommendation: Approve as posted.
- B. AMEND ONE WATER ONE WATERSHED PLAN UPDATE 2018 FOR STORMWATER PLAN PROJECTS (SC#2023.7)9
Recommendation: Amend the One Water One Watershed Plan Update 2018 to include the 24 projects submitted to Riverside County Stormwater Resource Plan.
- C. PROPOSITIONS 84 AND 1 PROJECT STATUS.....31
Recommendation: Approve as posted.

5. BUSINESS ITEMS

- A. CALIFORNIA WATER PLAN UPDATE 2023 PUBLIC REVIEW DRAFT (SC#2023.8)45
Presenter: Ian Achimore
Recommendation: Receive and file.
- B. GRANT FUNDED PROJECT HIGHLIGHTS63
Presenter: Marie Jauregui
Recommendation: Receive and file.
- C. WATERSHED-WIDE BASIN MONITORING PROGRAM TASK FORCE UPDATE (SC#2023.9).....77
Presenter: Ian Achimore
Recommendation: Receive and file.
- D. INTEGRATED CLIMATE ADAPTATION AND RESILIENCY PROGRAM REGIONAL RESILIENCE PLANNING AND IMPLEMENTATION GRANT PROGRAM (SC#2023.10)97
Presenter: Rachel Gray
Recommendation: Receive and file.
- E. WEATHER MODIFICATION UPDATE
Presenter: Rachel Gray
Recommendation: Receive and file.

6. GENERAL MANAGER REPORT

7. CHAIR'S COMMENTS/REPORT

8. COMMITTEE MEMBERS' COMMENTS

9. REQUEST FOR FUTURE AGENDA ITEMS

10. ADJOURNMENT



...A United Voice for the Santa Ana River Watershed

PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or svilla@sawpa.org. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Sara Villa, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on November 9, 2023, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at the SAWPA office, 11615 Sterling Avenue, Riverside, California.

2023 OWOW Steering Committee Regular Meetings

Fourth Thursday of Every Other Month (January, March, May, July, September, November)

(Note: All meetings begin at 11:00 a.m., unless otherwise noticed, and are held at SAWPA.)

January		March	
1/26/23	Regular Committee Meeting	3/23/23	Regular Committee Meeting [cancelled]
May		July	
5/25/23	Regular Committee Meeting [cancelled]	7/27/23	Regular Committee Meeting
September		November	
9/28/23	Regular Committee Meeting [cancelled]	11/16/23*	Regular Committee Meeting*

* Meeting date adjusted due to conflicting holiday.

2024 OWOW Steering Committee Regular Meetings

Fourth Thursday of Every Other Month (January, March, May, July, September, November)

(Note: All meetings begin at 11:00 a.m., unless otherwise noticed, and are held at SAWPA.)

January		March	
1/25/24	Regular Committee Meeting	3/28/24	Regular Committee Meeting
May		July	
5/23/24	Regular Committee Meeting	7/25/24	Regular Committee Meeting
September		November	
9/26/24	Regular Committee Meeting	11/21/24*	Regular Committee Meeting*

* Meeting date adjusted due to conflicting holiday.

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...A United Voice for the Santa Ana River Watershed

OWOW STEERING COMMITTEE

REGULAR MEETING MINUTES

July 27, 2023

Committee Members	
<u>Santa Ana Watershed Project Authority Representatives</u>	
Brenda Dennstedt, Convener, Western Municipal Water District	Present
T. Milford Harrison, San Bernardino Valley Municipal Water District	Present
<u>County Supervisor Representatives</u>	
Vicente Sarmiento, Orange County Board of Supervisors	Absent
Karen Spiegel, Riverside County Board of Supervisors	Present
Jesse Armendarez, San Bernardino County Board of Supervisors	Absent
<u>County Municipal Representatives</u>	
Deborah Robertson, Mayor, City of Rialto	Present
Wes Speake, Councilmember, City of Norco	Present
Nicholas Dunlap, Mayor Pro Tem, City of Fullerton	Absent
<u>Business Community Representative</u>	
James Hessler, Director of West Coast Operations, Altman Plants	Present
<u>Environmental Community Representative</u>	
Garry W. Brown, President, Orange County Coastkeeper	Present
<u>Regional Water Quality Control Board Representative</u>	
William Ruh, Regional Water Quality Control Board	Present
Others Present	
<u>SAWPA COMMISSIONERS:</u>	Bruce Whitaker, Kelly Rowe
<u>SAWPA STAFF:</u>	Edina Goode, Ian Achimore, Jeff Mosher, John Leete, Marie Jauregui, Pete Vitt, Rachel Gray, Sara Villa, Zyanya Ramirez
<u>OTHERS PRESENT:</u>	Andrew D. Turner, Lagerlof LLP, Christy Suppes, Orange County Public Works, June Hayes, San Bernardino Valley Municipal Water District, Lisa Haney, Orange County Water District, Mallory O'Connor, Western Municipal Water District, Manuel Escamilla, County of Orange, Thomas Crowley, City of Rialto, Toyasha Sebbag, City of Rialto.

The OWOW Steering Committee meeting was called to order at 11:05 a.m. by Brenda Dennstedt, Convener, at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, CA 92503.



1. **CALL TO ORDER | PLEDGE OF ALLEGIANCE**

2. **PUBLIC COMMENTS**

There were no public comments; there were no public comments received via email.

3. **APPROVAL OF MEETING MINUTES: NOVEMBER 17, 2022**

4. **APPROVAL OF MEETING MINUTES: JANUARY 26, 2023**

Committee Member Dennstedt called for one motion for approval of both the November 17, 2022, and January 26, 2023 meeting minutes. With legal counsel's approval, Committee Member Harrison moved to modify the motion and was seconded by Committee Member Speake.

MOVED, approve the November 17, 2022, and January 26, 2023, meeting minutes.

Result:	Adopted by Roll Call Vote
Motion/Second:	Milford/Speake
Ayes:	Brown, Dennstedt, Harrison, Hessler, Robertson, Ruh, Spiegel, Speake
Nays:	None
Abstentions:	None
Absent:	Armendarez, Dunlap, Sarmiento

5. **BUSINESS ITEMS**

A. **RECOGNIZE VICENTE SARMIENTO, JESSE ARMENDAREZ, AND WES SPEAKE TO THE OWOW STEERING COMMITTEE (SC#2023.4)**

Rachel Gray announced the appointment of Vicente Sarmiento, Jesse Armendarez, and Wes Speake. Committee Member Speake thanked the Committee and SAWPA staff.

This item was for discussion purposes; no action was taken on Agenda Item No. 5.A.

B. **INTEGRATED CLIMATE ADAPTATION AND RESILIENCY PROGRAM REGIONAL RESILIENCE PLANNING AND IMPLEMENTATION GRANT PROGRAM (SC#2023.5)**

Rachel Gray provided a presentation titled Integrated Climate Adaptation and Resiliency Program (ICARP) Regional Resilience Grant Program (RRGP), contained in the agenda packet on pages 19-34.

The ICARP RRGp aims to invest \$9.4 million in its first grant cycle for regions engaged in climate adaptation planning and action plans targeting the most significant climate risks, especially in vulnerable communities. The grant will be awarded competitively and through a formula basis, with future rounds of funding available for project implementation. Its primary objectives include supporting regional planning, assisting communities in identifying climate resilience priorities, and facilitating the execution of climate-resilient projects statewide.

SAWPA's strategy focuses on aligning with state priorities, such as addressing climate change vulnerabilities and enhancing equitable outcomes, to access future funding opportunities. The approach involves identifying climate risks like drought, extreme heat, flooding, sea level rise, and wildfires and developing adaptation strategies for a more resilient watershed. SAWPA plans to leverage its expertise in integrated watershed management to define watershed-scale climate risks, create climate adaptation strategies, and establish resiliency projects while fostering partnerships across the



region. The goal is to develop a Regional Climate Adaptation and Resilience Plan, supported by funding from ICARP RRGP, to address climate change risks in the Santa Ana River Watershed. This plan will improve funding competitiveness, enhance watershed resilience, promote multi-beneficial projects, and emphasize equitable outcomes, benefiting various stakeholders and securing funding for future resilience projects.

This item was for discussion purposes; no action was taken on Agenda Item No. 5.B.

C. RIVERSIDE COUNTY STORMWATER RESOURCE PLAN CALL FOR PROJECTS (SC#2023.6)

Ian Achimore provided a presentation titled Update on Riverside County Stormwater Resource Plan Call for Projects, contained in the agenda packet on pages 105-114.

Senate Bill 985, passed in 2014, mandates the development of a local stormwater resource plan (SWRP) to access grants for stormwater and dry weather runoff capture projects. Riverside County Flood Control and Water Conservation District (RCFC&WCD) is exploring grant funding and has opened a "Call for Projects" for water agencies to submit project concepts. There may be funding available pending legislative and voter approval. The Feasibility Study aims to identify suitable locations for stormwater recharge for water supply benefits, primarily in areas with minimal water quality concerns. The next steps involve submitting concepts to the RCFC&WCD by August 3, 2023, and potential coordination for grant applications with other agencies in the Santa Ana River Watershed.

Committee Member Ruh inquired about whether Quail Valley would be included in the ongoing projects of the Riverside County SWRP and emphasized the urgency of providing assistance to the area. Mr. Achimore clarified that, as of now, the Eastern Municipal Water District has not included the area in their current projects but assured that they would follow up on the matter.

This item was for discussion purposes; no action was taken on Agenda Item No. 5.C.

D. PROPOSITION 1 STATUS UPDATE

Marie Jauregui provided a presentation titled Proposition 1 Status Update, contained in the agenda packet on pages 115-137. She presented the updates by showcasing slides featuring project names, brief descriptions, and their respective progress status.

Regarding Proposition 1 Round 2, the grant award acceptance letter was sent to the Department of Water Resources (DWR) on June 1, 2023, and SAWPA is currently awaiting grant agreements from DWR.

Mr. Mosher mentioned that Proposition 1, Round 2, represents the final allocation of Integrated Regional Water Management funding from DWR. This doesn't necessarily imply that there won't be additional funding available through another bond in the future. SAWPA's focus has been on exploring ways to anticipate and secure future funding sources, as the funding landscape is evolving.

Committee Member Dennstedt emphasized the significance of the Santa Ana Zoo Stormwater Capture and Diversion Project within the City of Santa Ana. She pointed out that this project's high visibility to the general public provides a valuable opportunity to showcase the water community's efforts and convey the message to the public.

This item was for discussion purposes; no action was taken on Agenda Item No. 5.D.



6. GENERAL MANAGER REPORT

Mr. Mosher acknowledged that today's discussion has highlighted some of the key aspects SAWPA is actively pursuing. He expressed the importance of the OWOW Steering Committee input in assessing these matters as we gather further details, explore possibilities, and identify opportunities. The efforts are closely linked to the OWOW Program, and the OWOW Steering Committee will play a significant role in guiding and supporting these initiatives.

7. COMMITTEE MEMBERS' COMMENTS

Committee Member Dennstedt proposed holding the next OWOW Steering Committee meeting in person. Mr. Mosher explained that, after consulting with legal counsel, it was determined that the OWOW Steering Committee meeting is not legally required to adhere to the Brown Act rules. To provide flexibility, SAWPA has established this meeting as a hybrid format. SAWPA acknowledges the benefit of occasional in-person meetings and intends to arrange one, especially with the addition of new committee members.

8. REQUEST FOR FUTURE AGENDA ITEMS

There were no comments.

9. ADJOURNMENT

The meeting ended at 11:47 a.m.

APPROVED: November 16, 2023

Brenda Dennstedt, Convener

Attest:

Sara Villa, Clerk of the Board

OWOW STEERING COMMITTEE MEMORANDUM NO. 2023.7

DATE: November 16, 2023

TO: OWOW Steering Committee

SUBJECT: Amend One Water One Watershed Plan Update 2018 for Stormwater Plan Projects

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

Amend the One Water One Watershed Plan Update 2018 to include the 24 projects submitted to Riverside County Stormwater Resource Plan.

DISCUSSION

On January 26, 2023, the OWOW Steering Committee adopted the Riverside County Stormwater Resource Plan into the One Water One Watershed (OWOW) Plan Update 2018. The OWOW Plan Update 2018 serves many roles in the Santa Ana River Watershed, chiefly as the State-approved Integrated Regional Water Management (IRWM) Plan for the Santa Ana Funding Area within the State-wide IRWM Program. The OWOW Steering Committee, along with the SAWPA Commission, serve as the Regional Water Management Group (RWMG), a State-approved entity that makes planning and grant funding decisions associated with the Statewide IRWM Program. The Statewide IRWM Program was created with the passage of Senate Bill 1672 in 2002, although SAWPA has developed integrated watershed plans since the 1990s.

Senate Bill 985 approved in 2014, requires the development of a local stormwater resource plan (SWRP) to receive grants for stormwater and dry weather runoff capture projects from recent State bond measures such as the Proposition 1 Water Bond. Upon development of a local stormwater resource plan, the area's corresponding RWMG shall incorporate it into their IRWM Plan. Riverside County Flood Control and Water Conservation District (Riverside County Flood) is planning on applying for future grant funding and held a "Call for Projects" for entities like water agencies to submit their project concepts, planning concepts, and "shovel-ready" projects. SAWPA submitted two feasibility study concepts, which were shared with the Steering Committee on July 27, 2023. 22 other projects were also submitted to Riverside County Flood during the Call for Projects by the following entities:

- City of Calimesa
- City of Corona
- City of Hemet
- City of Lake Elsinore
- City of Perris
- City of Riverside
- City of Wildomar
- Eastern Municipal Water District
- Jurupa Community Services District
- Riverside County Flood
- University of California, Riverside

SAWPA is recommending the two SAWPA feasibility study concepts and the other 22 projects be adopted into the Plan, specifically Appendix B “Projects Submitted for the OWOW Plan Update 2018” which is a list of all projects accepted by the OWOW governance structure.

There may be some funding available if a resource bond is approved by the legislature/governor, and the general electorate on the November 2024 ballot. This Call for Projects is a way to gather projects that could be utilized for a joint Riverside County Flood-led grant proposal to the State if there is funding available in a successful resource bond for stormwater-related project/plans/studies.

BACKGROUND

As Riverside County is within the Santa Ana Funding Area, this RWMG shall review and consider integrating the 2022 Stormwater Resource Plan into the OWOW Plan Update 2018. The OWOW Steering Committee previously approved the Orange County Stormwater Resource Management Plan for integration in 2021 and approved adding the Riverside County Flood SWRP on January 26, 2023. The Chino Basin Stormwater Resource Plan and the San Bernardino County Stormwater Resource Plan were also integrated in 2019. These SWRPs were integrated by adding a reference to their plans in the OWOW Plan Update 2018's appendix G – Subregional Plans.

On July 27, 2023, SAWPA shared with the OWOW Steering Committee two stormwater-related feasibility study concepts:

- Distributed Stormwater Capture Feasibility Study (Feasibility Study), and
- Drywell Pilot Assessment.

The Feasibility Study would identify general locations where distributed recharge of stormwater for water supply benefit is feasible. Water supply enhancement is feasible in groundwater management zones with minimal water quality issues and maximum benefits for water supply. The drywell assessment's purpose would be to understand field conditions where recharge of stormwater for water supply benefit is feasible. Conditions could be assessed by piloting dry wells to collect field data to understand when the water table can be recharged. The two feasibility study concepts were submitted to Riverside County Flood on August 4, 2023, for the SWRP call for projects. Riverside County Flood scored the concepts the highest out of the 24 projects/plans submitted.

ATTACHMENTS:

1. PowerPoint Presentation
2. List of 24 SWRP Projects (Project Description and Scoring Summary Sheet)



Amend One Water One Watershed Plan Update 2018 for Stormwater Plan Projects

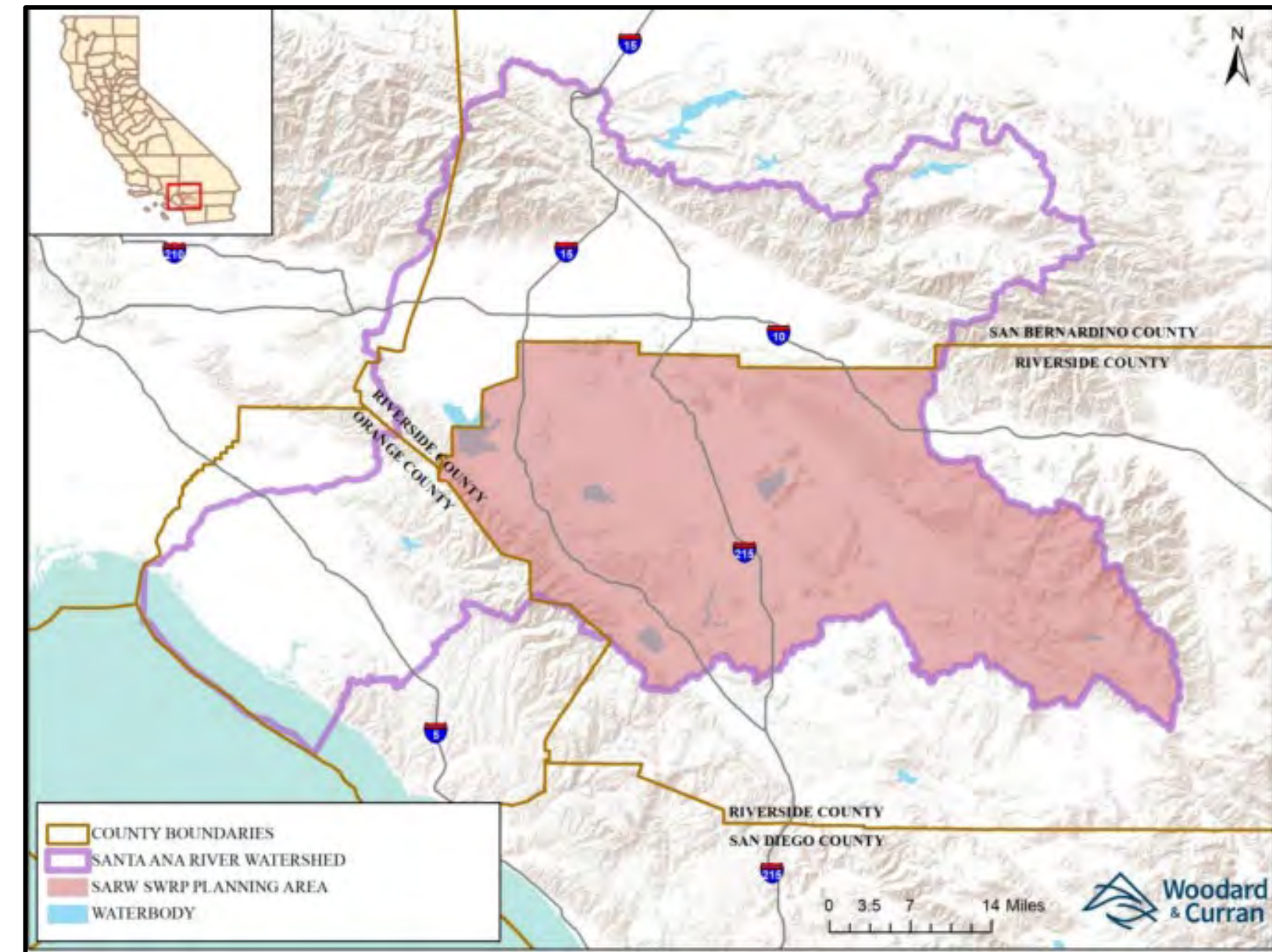
OWOW Steering Committee
Item No. 4.B
Ian Achimore
Senior Watershed Manager
November 16, 2023

Recommendation

Amend the One Water One Watershed Plan Update 2018 to include the 24 projects submitted to Riverside County Stormwater Resource Plan.

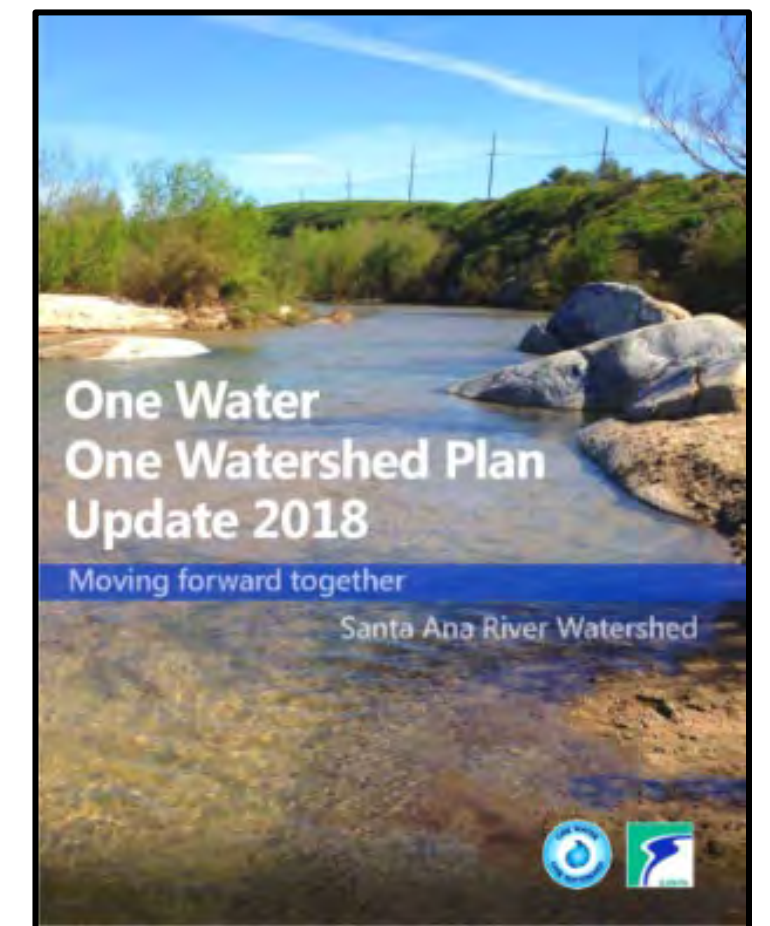
Riverside County Santa Ana Region SWRP

- **Stormwater Resource Plan (SWRP) focus:** Stormwater and dry weather runoff capture projects/studies.
- Other SWRPs in the Santa Ana River Watershed:
 - Orange County SWRP
 - Chino Basin SWRP
 - San Bernardino SWRP



OWOW Plan

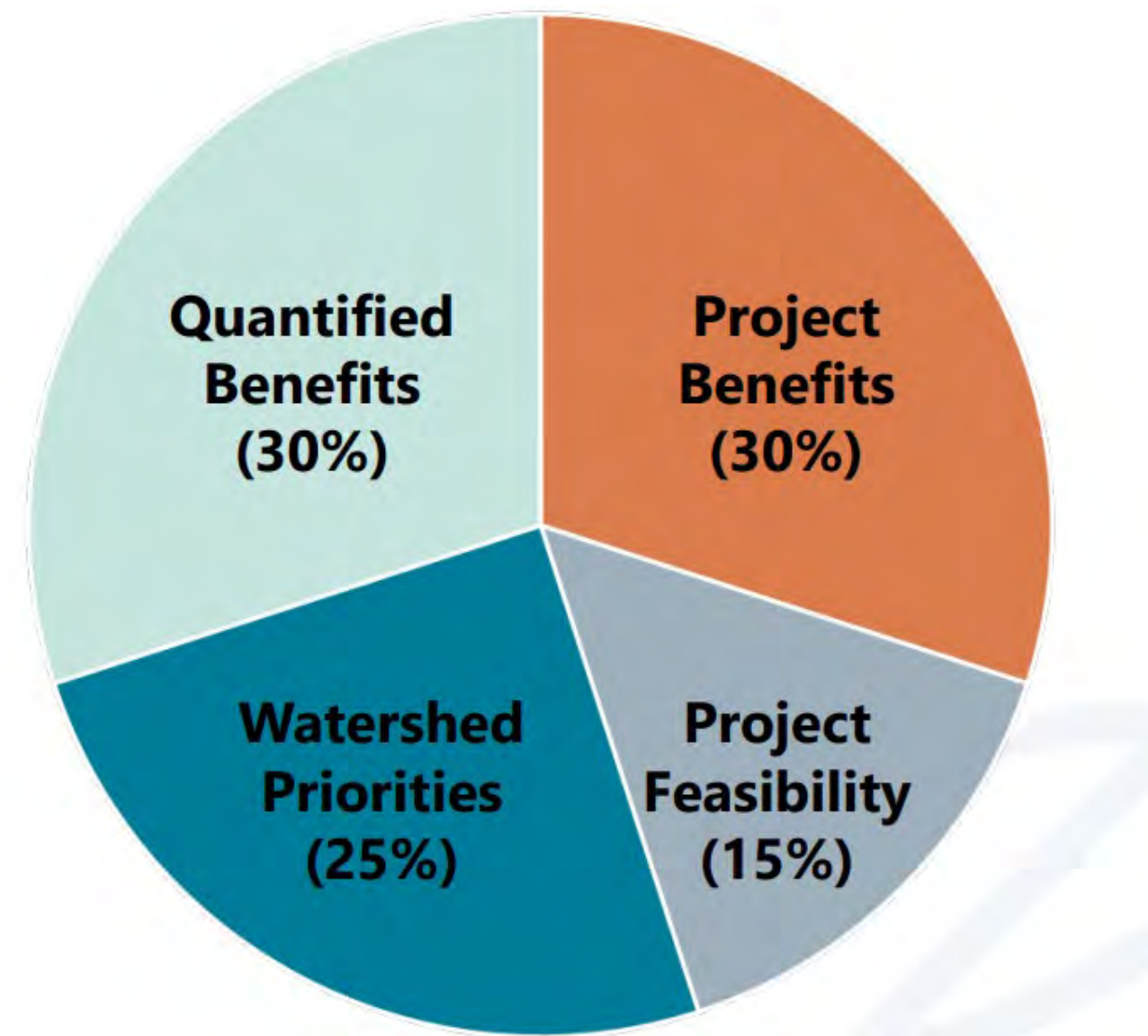
- The OWOW Plan Update 2018 serves many roles in the Watershed, chiefly as the State-approved Integrated Regional Water Management (IRWM) Plan for the Santa Ana Funding Area within the State-wide IRWM Program.
- The OWOW Steering Committee, along with the SAWPA Commission, serve as the Regional Water Management Group, a State-approved entity that makes planning and grant funding decisions associated with the IRWM Program.
- As Riverside County (and others) are within the Santa Ana Funding Area, this RWMG “shall review and consider integrating” SWRPs into the OWOW Plan Update 2018.



Riverside County SWRP Call for Projects

- From June 3 to August 3, 2023 Riverside County Flood held a Call for Projects as an opportunity for entities to have their projects/plans included in the SWRP.
- Projects/plans had to provide at least two benefits, capture, treat, infiltrate, and/or use stormwater or dry weather runoff for multiple benefits

Projects were ranked using the following priority list:



Projects Submitted to SWRP

- SAWPA submitted two feasibility study concepts, which were shared with the Steering Committee on July 27, 2023.
- Projects/studies were also submitted by the following entities:
 - City of Calimesa
 - City of Corona
 - City of Hemet
 - City of Lake Elsinore
 - City of Perris
 - City of Riverside
 - City of Wildomar
 - Eastern Municipal Water District
 - Jurupa Community Services District
 - Riverside County Flood
 - University of California, Riverside



Example SWRP Submitted Project

Phase I of Gage Basin Restoration Project

- Evaluates basin retention and infiltration capacities, evaluation of dry weather flow management, and evaluation of improvement needed to meet Multi-Benefit Trash Treatment System criteria.
- Also includes initial conceptual study of restoration alternatives for flood control and stormwater management and habitat lost after repeated wildfires of 2019, 2020 and 2021.



SAWPA Feasibility Study Concepts

On July 27, 2023, SAWPA shared with the OWOW Steering Committee two feasibility study concepts which were submitted to the Riverside County SWRP on August 3, 2023:

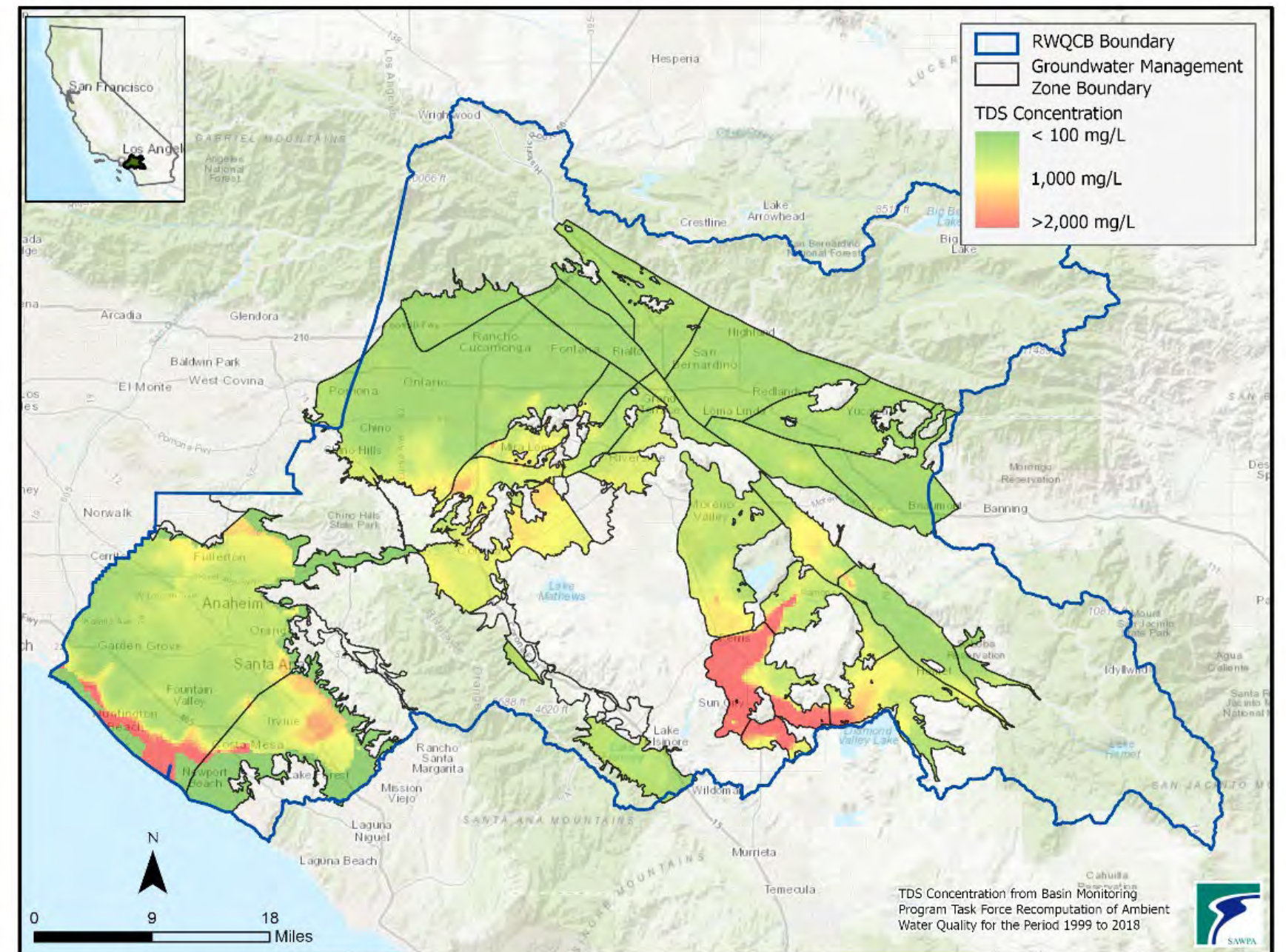
1. Distributed Stormwater Capture Feasibility Study
2. Drywell Pilot Assessment



Distributed Stormwater Capture Study Concept

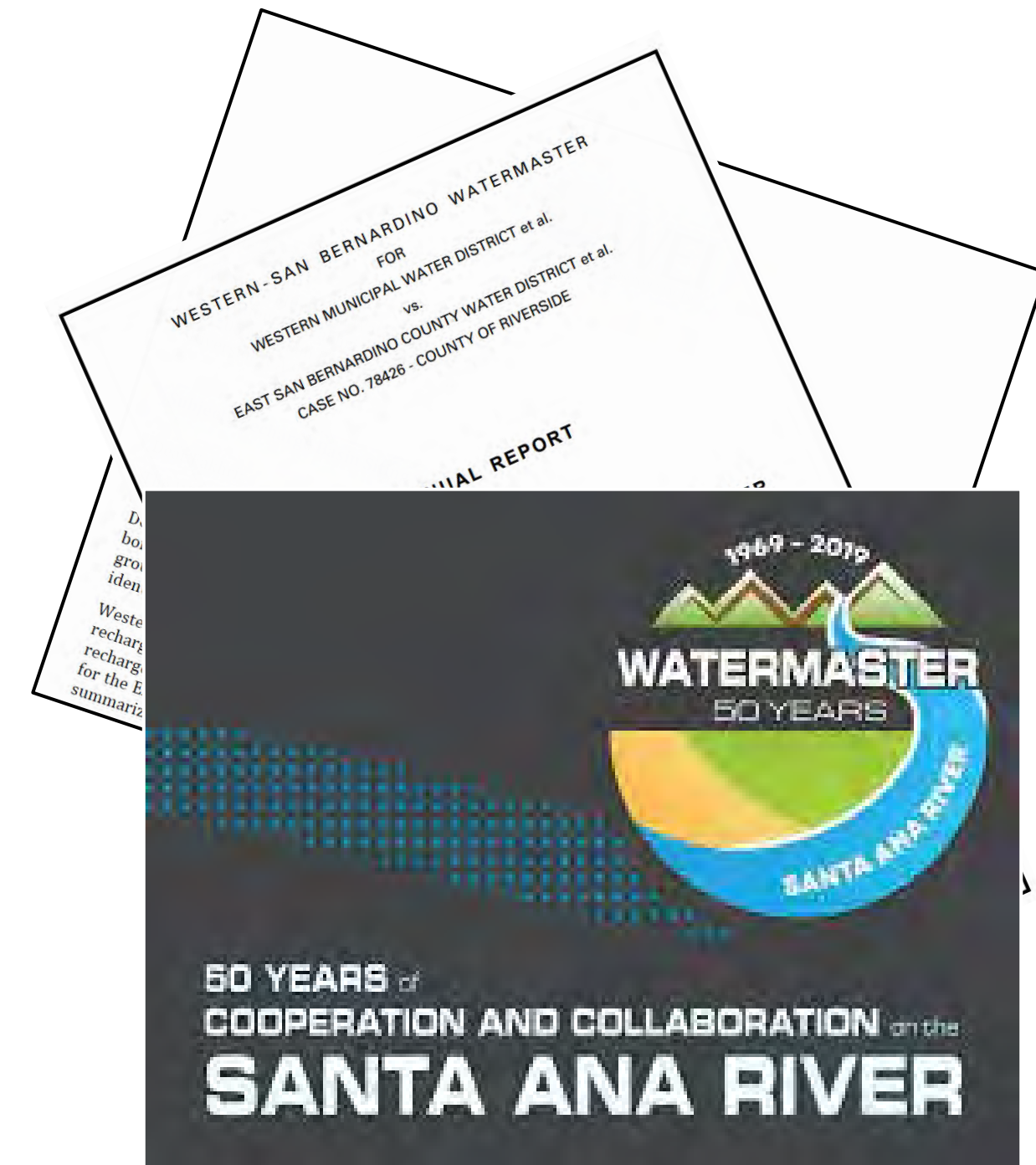
- Purpose is to identify general locations where distributed recharge of stormwater (for water supply benefit) is feasible
- Water supply enhancement is feasible in zones with minimal water quality issues and maximum benefit for supply

Total Dissolved Solids Concentrations
Based on Volume Weighted Average (1999-2018)



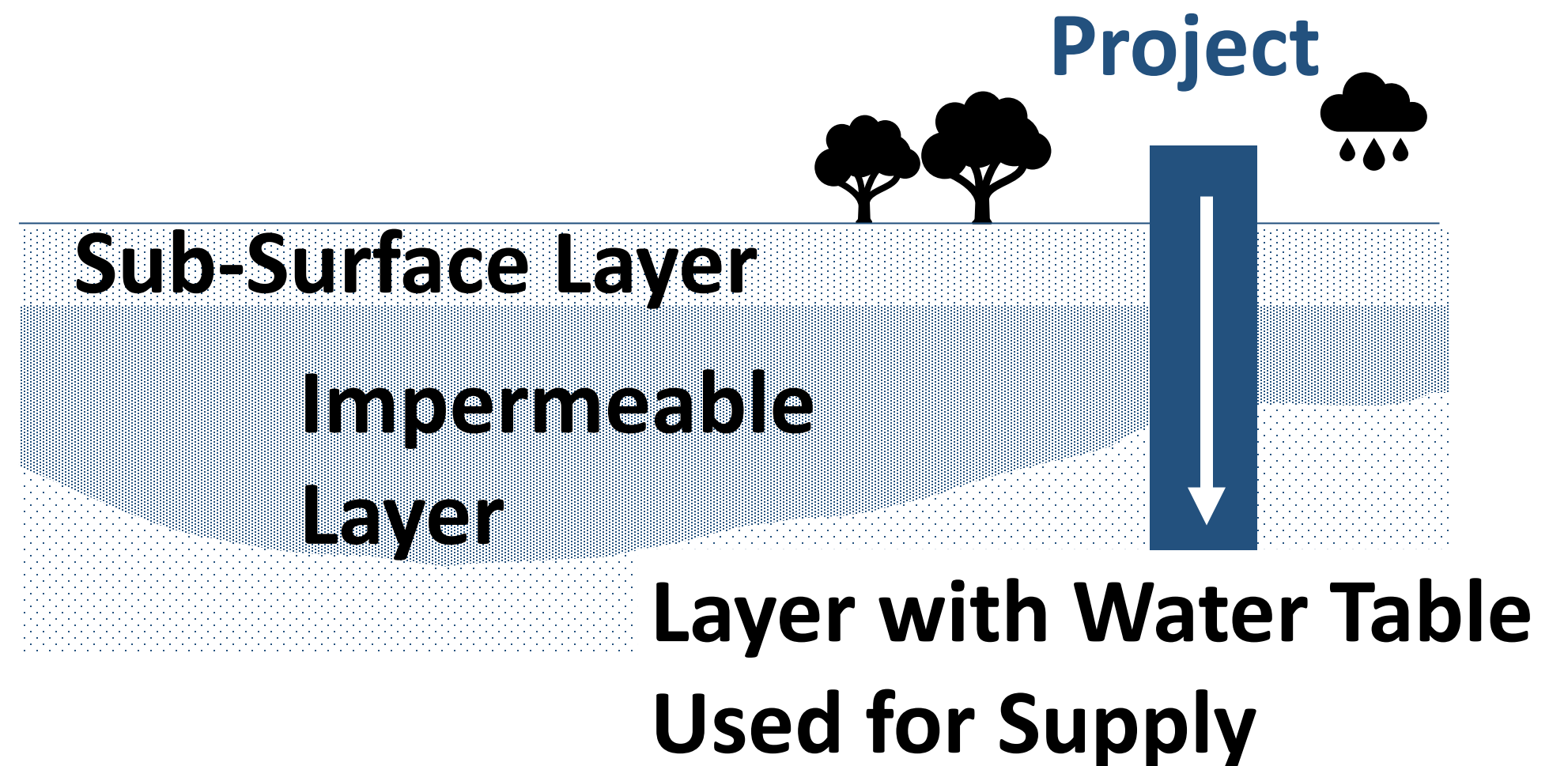
Information To Be Used to Identify Locations

- Existing studies.
- Ambient Water Quality Re-computations and Groundwater Sustainability Agency data.
- Land use information from the county assessors and Southern California Association of Governments.



Drywell Pilot Assessment Concept

- Purpose is to understand conditions where recharge of stormwater (for water supply benefit) is feasible
 - Water supply enhancement is feasible (for example) when a drywell can recharge water table by permeating known barriers.



SWRP Call for Projects Scores

- The two feasibility study concepts were submitted to Riverside County Flood Control and Water Conservation District on August 4, 2023.
- The District scored the concepts the highest out of the 24 projects/plans submitted.
- There may be some funding available if a resource bond is approved by the legislature/governor, and the general electorate on the November 2024 ballot.
- This Call for Projects is a way to gather projects that could be utilized for a joint Riverside County Flood-led grant proposal.

Questions?

Thank You

Ian Achimore
Santa Ana Watershed Project Authority
(951) 354-4233
iachimore@sawpa.org
sawpa.org



Riverside County Santa Ana River Watershed Stormwater Resource Plan
Project Description and Scoring Summary Sheet

Project Name	Project Proponent	Project Description	Score	Project Type	Benefit Categories Met
Distributed Stormwater Capture Feasibility Study	Santa Ana Watershed Project Authority	The feasibility study will utilize existing studies, master drainage plans, documents produced from regulatory compliance efforts - i.e. Ambient Water Quality Re-computations, Groundwater Sustainability Agency (GSA) data, related studies from the 2010 municipal separate storm sewer systems (MS4) permitting process, etc. - and land use information from the county assessors and Southern California Association of Governments (SCAG). This existing data will be used to determine areas of the Santa Ana River Watershed that would be beneficial for engineered stormwater capture approaches. The areas would be identified with specific project types in consideration. These projects fall under the category of “small” to “mid-scale” (i.e. distributed) and include the following: 1) infiltration galleries, 2) drywells, 3) tree wells, 4) and other engineered stormwater capture approaches.	133	Conceptual	Water Quality, Water Supply, Flood Management, Community
Drywell Pilot Assessment	Santa Ana Watershed Project Authority	The Drywell Pilot assessment will pilot the usage of approximately three to four drywells within a specified area in the Santa Ana River Watershed in order to assess the effectiveness and costs of this engineered stormwater capture structure. Soil moisture sensors in the vadose zone, as well as nearby existing wells, will be used for water supply measurements and a certified laboratory will be utilized to measure water quality data using flow-weighted composite stormwater samples, and water table measures, for most constituents such as bacteria, metals, petroleum hydrocarbons and pyrethroid pesticides. The drywells will be piloted in locations with different upstream terrestrial features (such as streets, parking lots, and semi-industrial land), and existing water quality wells, in order to better isolate the relationship between ambient water quality and the drywell pretreatment methods. Sites with diverse aquifer properties will also be selected for the piloted drywells in order to better isolate the water quality relationship. Pretreatment attached to the piloted drywells will likely include catch basins, upstream grassy swales, and detention chambers.	120	Conceptual	Water Quality, Water Supply, Flood Management, Community
UC Riverside Gage Basin Green Infrastructure Restoration Phase I	University of California, Riverside Environmental Health & Safety	Phase I of Gage Basin Restoration project includes engineering analyses to evaluate basin retention and infiltration capacities, evaluation of dry weather flow management, and evaluation of improvement needed to meet SWRCB Certified Multi-Benefit Trash Treatment System criteria. Phase I also includes initial conceptual study of restoration alternatives for flood control and stormwater management and habitat lost after repeated wildfires of 2019, 2020 and 2021. Proposed initial conceptual study would explore the potential for community walking trails with amenities such as interpretive signage providing stormwater and habitat education.	108	Conceptual	Water Quality, Flood Management, Environmental, Community
Hole Lake Diversion and Water Replenishment Project	City of Riverside	This project will take flows with excessive E. coli concentrations from Hole Lake and divert them to the sanitary sewer system where they can be treated by the Riverside Regional Water Quality Control Plant. Recycled water will be pumped back to Hole Lake to the replace diverted flows. A recycled water line is already in the vicinity of this project.	104	Conceptual	Water Quality, Water Supply, Environmental

Riverside County Santa Ana River Watershed Stormwater Resource Plan
Project Description and Scoring Summary Sheet

Project Name	Project Proponent	Project Description	Score	Project Type	Benefit Categories Met
Tequesquite Diversion and Water Replenishment Project	City of Riverside	This project will take flows with excessive E. coli concentrations from the Box Springs Channel and divert them to the sanitary sewer system where they will be treated by the Riverside Regional Water Quality Control Plant. Due to limited capacity in the sanitary sewer trunk line, flows will go through a pretreatment system, then into an underground stormwater detention. From there, flows can be metered into the wastewater system as capacity allows. Recycled water will be pumped back to Hole Lake to the replace diverted flows. A recycled water line is already in the vicinity of this project.	104	Conceptual	Water Quality, Water Supply, Environmental
City of Hemet Salt Creek Restoration Project	City of Hemet	The proposed project is to develop a habitat and waterway restoration project on 10 acres within the Salt Creek channel within the City of Hemet city limits. The work will be performed shall include identification and and CDFW approval of the Restoration Site location with Salt Creek; 2) restoration of natural contours and/or decompaction (if needed) to restore infiltration capacity within the Creek; 3) revegetation using native plans (seed and/or container plants) sourced locally and at a minimum within the same watershed, and irrigation (if appropriate); and 4) control of all non-native plant species using herbicide application and/or manual or mechanical removal under the guidance and best professional judgement of a qualified CDFW recognized Restoration Specialist.	98	Preliminary design	Water Quality, Flood Management, Environmental, Community
Box Springs SD- Groundwater Recharge at Kansas Basin	Riverside County Flood Control & Water Conservation District	This project will construct improvements within the District's existing 8.5 acre Kansas Flood Detention Basin to allow the basin to intercept and infiltrate water into the Riverside- E Groundwater Basin for conservation and reuse purposes. The District will be working on evaluating other partnership opportunities, as well as potential benefits to water quality by reducing dry weather flow discharges to the Santa Ana River. The exact form and sponsorship of the project is yet to be determined based on the investigation results and recommendations.	95	Conceptual	Water Quality, Water Supply, Flood Management
The Avenues Master Plan Storm Drain Project	City of Lake Elsinore	This project will construct 2,500 of underground storm drain pipes as well as catch basins and laterals in the "Avenues" residential neighborhood in Lake Elsinore. The project will capture stormwater in the nearby foothills by connecting to two sediment basins in order to capture as much hillside runoff as possible prior to runoff entering Lake Elsinore. This neighborhood has been subject to repeated flooding throughout the years.	94	Ready to implement	Water Quality, Flood Management

Riverside County Santa Ana River Watershed Stormwater Resource Plan
Project Description and Scoring Summary Sheet

Project Name	Project Proponent	Project Description	Score	Project Type	Benefit Categories Met
Bradley Channel Enhancement Project	City of Perris	The construction and enhancement of the Bradley flood control channel will provide enhanced water quality treatment methods within the stormwater channel. The enhanced water quality treatment methods will include the following: 1. Sediment reduction by utilizing hydrodynamic separators to treat and pretreat stormwater runoff. 2. The redesign of the channel bottom will enhance water infiltration going into the ground. This is a form of stormwater harvesting. 3. Redesign the channel slope with a plant pallet that facilitates treatment and filtration of stormwater runoff.	91	Conceptual	Water Quality, Water Supply, Flood Management, Environmental
North Norco Channel, Stage 11	Riverside County Flood Control & Water Conservation District	The Riverside County Flood Control-led project will replace an existing 52-year old earthen channel with a higher capacity concrete-lined channel (with an earthen bottom) to convey the 100-year flow and significantly reduce the floodplain to be contained within the channel. Approximately 5,900 linear feet of trapezoidal and rectangular channel as well as culverts along street crossings will be replaced. This project will also construct two water quality basins to reduce runoff pollutants from adjacent land and infiltrating the stormwater runoff.	78	Ready to implement	Water Quality, Flood Management
Lakeland Village MDP Line H	Riverside County Flood Control & Water Conservation District	This project will construct 7,177 feet of underground storm drain pipes as well as any lateral system and additional drainage structures located in the Lakeland Village community near Lake Elsinore. This project will capture stormwater in the nearby foothills with a sediment/debris basin to be constructed in order to capture as much sediment as possible in order to prevent it from entering the impaired Lake Elsinore.	76	Ready to implement	Water Quality, Flood Management
Calimesa Channel Stage 3	City of Calimesa	The City of Calimesa-led project will provide flood protection and reduce erosion along Calimesa Creek and adjacent public facilities. This project will be broken up into two phases. Phase 1 includes the construction of approximately 1,700 feet of storm drains along County Line Road. Phase 2 includes construction of approximately 350 feet of storm drain tying into the existing trapezoidal channel and a 53 acre-foot detention basin. There is also a concurrent plan to utilize the basin as a groundwater recharge basin in partnership with South Mesa Water District to potentially expand on water supply needs.	71	In design	Water Supply, Flood Management
Magnolia Center Storm Drain Low Flow Diversion Project	Riverside County Flood Control & Water Conservation District	This project will consist of diverting stormwater flows being discharged from the 120" Magnolia Center storm drain into the Santa Ana River and including a diversion structure to capture low flows, a treatment device to remove floatable trash and sediments, a valve vault and a discharge pipe to tie into the existing 48" sewer manhole, flow measuring assembly, and controls such as a rain switch during the storm event. The City of Riverside, a project partner, will maintain the stormwater treatment device and operate the diversion system.	69	Preliminary design	Water Quality, Water Supply

Riverside County Santa Ana River Watershed Stormwater Resource Plan
Project Description and Scoring Summary Sheet

Project Name	Project Proponent	Project Description	Score	Project Type	Benefit Categories Met
Good Hope – Olive Avenue Storm Drain, Stages 1 and 2	Riverside County Flood Control & Water Conservation District	Construction of Olive Avenue Storm Drain, Stages 1 and 2. It is designed to intercept the 100-year flow rates at proposed collection points and convey them to an existing culvert outlet located at Highway 74. There are numerous flood complaints in this area of Good Hope and this storm drain is meant to mitigate reoccurring flooding issues from impacting residents. Further studies are being conducted in order to determine if the proposed detention basin has infiltration capacity to facilitate water quality benefits.	68	In design	Water Quality, Flood Management
Eastvale Line D	Riverside County Flood Control & Water Conservation District	This is a collaborative project between the District and the Jurupa Community Services District (JCSD) to divert dry weather flows from an existing District-owned storm drain to a JCSD sanitary sewer line with the goal of addressing bacteria issues in the Middle Santa Ana River. The water quality enhancement project is planned to include various size pipe and various appurtenant features. The District intends to fund the entire design and construction of the project.	66	Conceptual	Water Quality, Water Supply
Eastvale Line E	Riverside County Flood Control & Water Conservation District	This is a collaborative project between the District and the Jurupa Community Services District (JCSD) to divert dry weather flows from an existing District-owned storm drain to a JCSD sanitary sewer line with the goal of addressing bacteria issues in the Middle Santa Ana River. The water quality enhancement project is planned to include various size pipe and various appurtenant features. The District intends to fund the entire design and construction of the project.	66	Conceptual	Water Quality, Water Supply
Lakeview Subbasin Recharge Feasibility Study	Eastern Municipal Water District	The purpose of the Eastern Municipal Water District (EMWD) Lakeview Subbasin Recharge Feasibility Study (Study) is to evaluate the feasibility of recharging water in the Lakeview Subbasin (Subbasin) via surface infiltration of local stormwater and imported surface water. This Study is a continuation of a feasibility review completed by Woodard & Curran in July 2019 and December 2021 with the long-term goal to collect additional hydrogeologic data to further evaluate the feasibility of a recharge project in the Subbasin for conjunctive use and/or banking.	64	Conceptual	Water Supply, Flood Management
Day Creek Channel Water Conservation Restoration	Riverside County Flood Control & Water Conservation District	This project will restore function to a water conservation/habitat area that was constructed within Day Creek Channel, Stage 5, using available funds from the Day Creek Area Drainage Plan. This project is not fully scoped, and the budgeted amount will be refined as more details become available.	58	Conceptual	Water Supply, Environmental
Marshall Creek, Stage 1	Riverside County Flood Control & Water Conservation District	An improvement of the existing Marshall Creek Channel. The unimproved channel has been subject to various flood complaints including erosion, sedimentation, vegetation overgrowth, and damage to private property. This improvement will most likely be a combination of open channel and underground reinforced concrete box. The project will provide flood protection and convey 100-year storm flows.	57	In design	Water Quality, Flood Management, Community

Riverside County Santa Ana River Watershed Stormwater Resource Plan
Project Description and Scoring Summary Sheet

Project Name	Project Proponent	Project Description	Score	Project Type	Benefit Categories Met
Lindsay Pipeline and Storm Drain Improvements	Jurupa Community Services District	The project includes design and construction of 42-inch water pipelines and potentially three (10 MG) each reservoirs. The project also consists of hydrological study of the disturbed area design and construction of stormwater pipelines to avoid potential unmanaged run-off from the reservoirs site and pipeline area. JCSD is lookingto partner with City of Jurupa Valley to construct new sidewalks, curbs, and gutters which would reduce potential flooding in this area, manage flows to nearby storm channels, and reduce erosion and sedimentation.	56	Preliminary design, In design	Water Supply, Flood Management, Environmental, Community
Bedford Canyon Channel, Stage 1	Riverside County Flood Control & Water Conservation District	Construct a flood control channel along the Bedford Canyon Wash to safely convey the 100-year storm flows. This will also reduce the amount of instream erosion and sediment build-up produced along the existing natural channel. This project is exploring the option for the channel invert to have the ability to infiltrate stormwater flows. This sediment builds up in a city-owned concrete channel. This project will also provide space for a future trail alongside the channel that would offer recreational opportunities for the community.	56	In design	Flood Management
Sedco MDP Lines A, B, and C	City of Wildomar	Construction of three Master Drainage Plan storm drains in the Sedco Area of Wildomar.	55	Preliminary design	Water Quality, Flood Management
Temescal Basin Stormwater Capture and Recharge	City of Corona, Utilities Department	Significant rainfall events in the watersheds surrounding the Temescal Groundwater Basin generate large volumes of runoff that currently flows through stormwater systems designed solely for flood control. In pre-development conditions much of this runoff infiltrated and recharged groundwater. However, urban development has increased impermeable area focused runoff to detention ponds and lined stormwater channels, limiting opportunities for groundwater recharge. Further, private development in the area often includes onsite stormwater detention and/or retention systems that are not well cataloged. The City of Corona (City), in its role as a member of the Temescal Basin Groundwater Sustainability Agency, plans to study opportunities for modifying existing stormwater infrastructure or adding new infrastructure for the purpose of increasing stormwater capture for groundwater recharge. The City conducted a preliminary investigation of potential stormwater capture in 2011 that indicated there may be significant available water during large precipitation events (Todd 2011). However, that study needs to be updated to include recent climate conditions and future climate change estimates. The study would include the following (1) assess and document existing stormwater systems throughout the Temescal Basin, including mapping all public and private stormwater infrastructure, (2) update hydrologic analysis of available stormwater, including assessment of differences with climate change, (3) assess benefits to groundwater using numerical model simulations, and (4) assess feasibility of converting existing stormwater infrastructure to recharge facilities.	48	Conceptual	Water Quality, Water Supply

Riverside County Santa Ana River Watershed Stormwater Resource Plan
Project Description and Scoring Summary Sheet

Project Name	Project Proponent	Project Description	Score	Project Type	Benefit Categories Met
Sedco MDP Line F-2	City of Wildomar	The City of Wildomar-led project extends the existing Sedco MDP Line F-2 to capture flows tributary to Lemon Street/Gafford Road and direct them to the nearby Sedco MDP Basin. Proposed project consists of 600 LF of 42" reinforced concrete pipe and 530 LF of 54" reinforced concrete pipe. This project will provide flood protection to the area and address sediment issues along Lemon Street that will be prevented from entering the impaired Lake Elsinore.	48	Conceptual	Water Quality, Flood Management



Propositions 84 and 1 Project Status

Steering Committee Meeting

Item No. 4.C

Marie Jauregui

Project Manager

November 16, 2023

Propositions 84 and 1 Project Highlights

Proposition 84
Integrated Watershed Protection
Program

Proposition 84
SARCCUP

Proposition 1 Round 1
Groundwater Replenishment System
Final Expansion

Proposition 1 Round 1
Raitt & Myrtle Park

Integrated Watershed Protection Program



Integrated Watershed Protection Program

- Sunnymead Master Drainage Plan Line B Stages 3 and 4 (Heacock Channel)
 - Replace existing earthen channel to an ultimate 100-year concrete channel
 - *Floodplain Reduction*
- Bautista Optimization Pond
 - Expand on existing recharge facilities – construct Six recharge ponds adjacent to Bautista Channel on 16-acre site
 - *Stormwater Capture / Groundwater Recharge*
- Beaumont Master Drainage Plan Line 16
 - Install approximately 7,800 feet of pipeline to connect recharge ponds owned by Beaumont Cherry Valley Water District

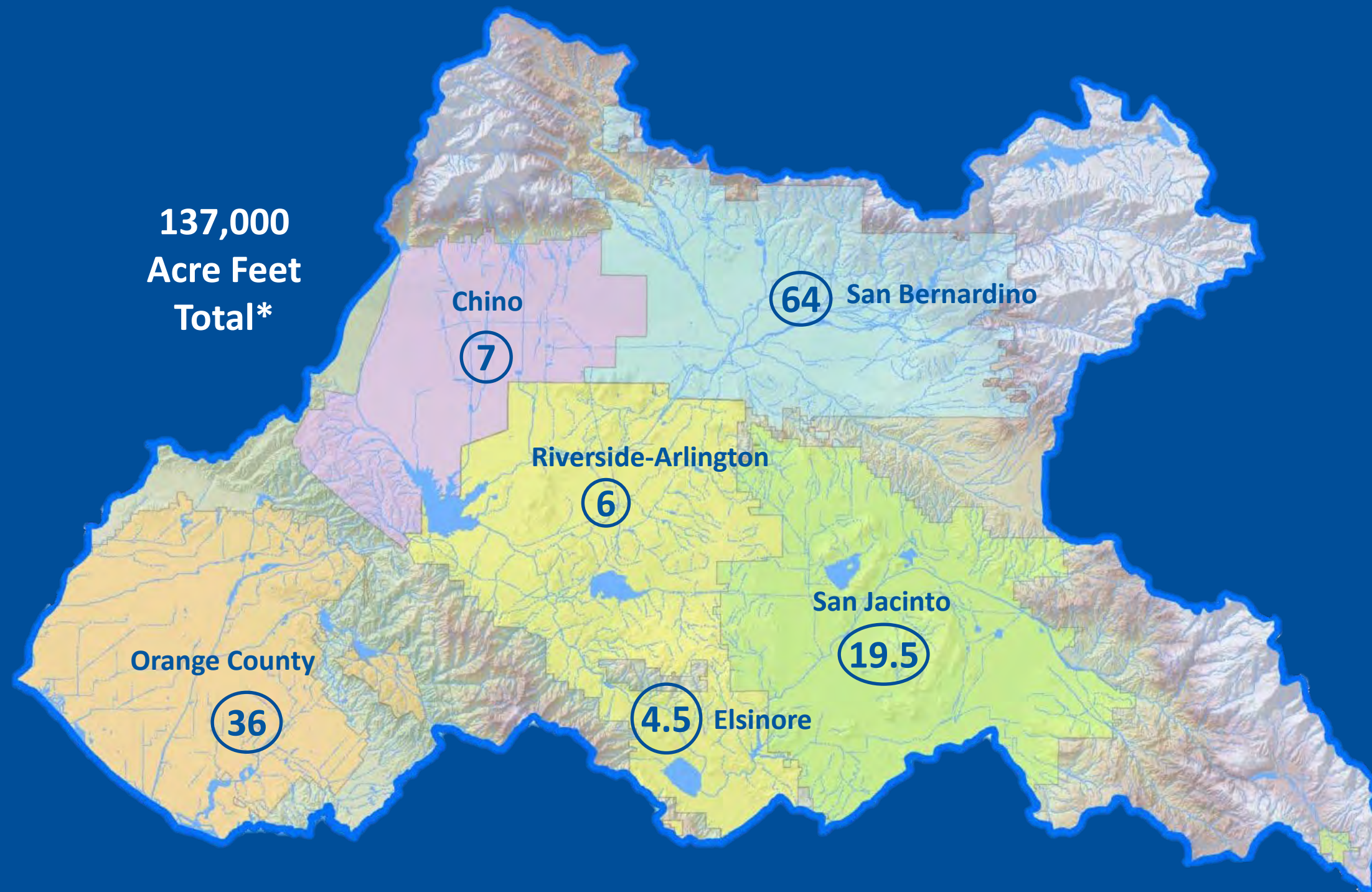




Santa Ana River Conservation & Conjunctive Use Program

(SARCCUP)

Santa Ana River Conservation & Conjunctive Use Program



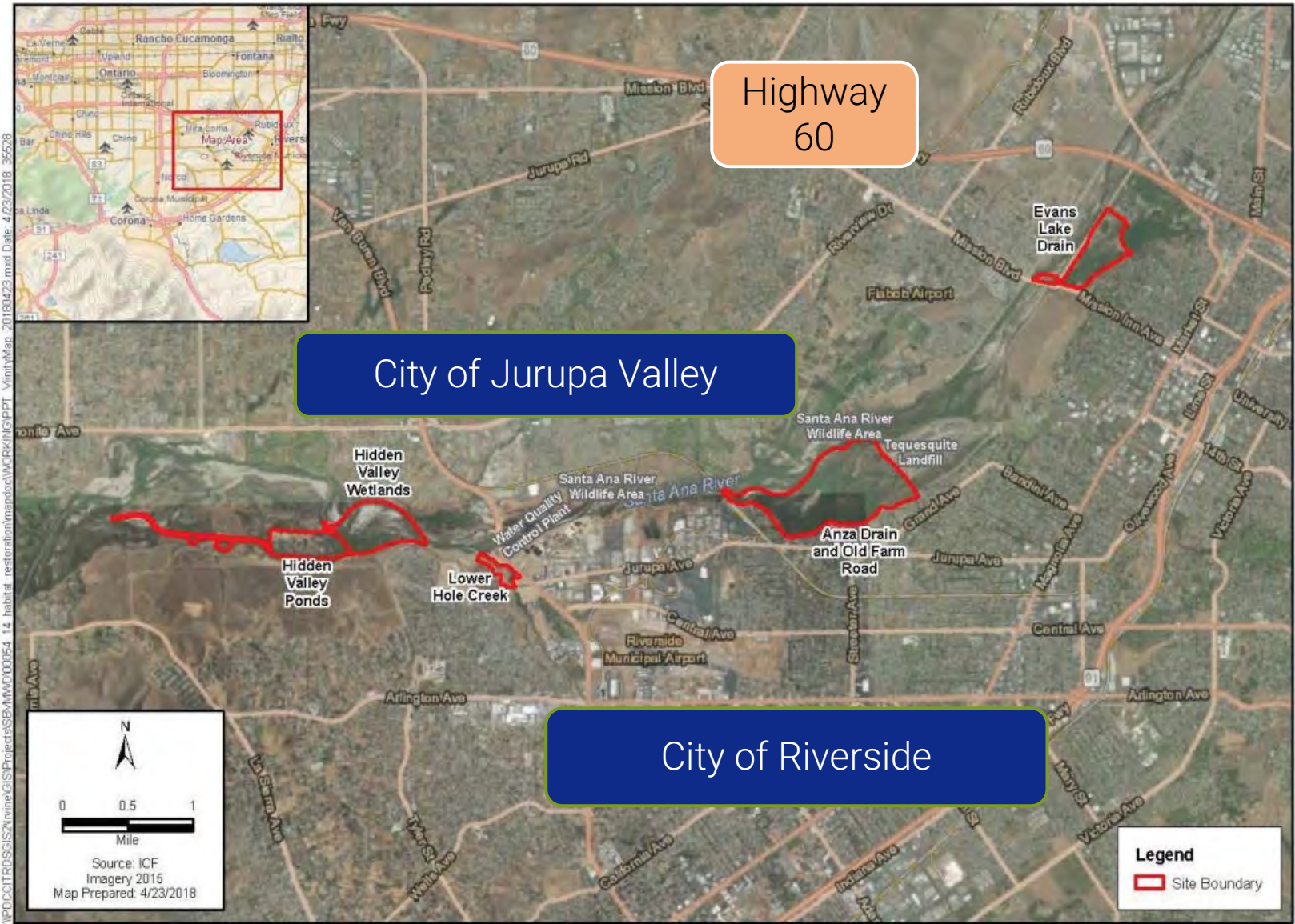
*Target amounts for storage are dependent upon actual hydrology

- **Groundwater Banking**
 - Banking and conjunctive use (“put and take”) facilities
- **Habitat Improvement**
 - Arundo removal and Santa Ana sucker fish habitat restoration
- **Water Conservation**
 - Water efficiency budget creation
 - Water use efficient landscaping design and upgrades

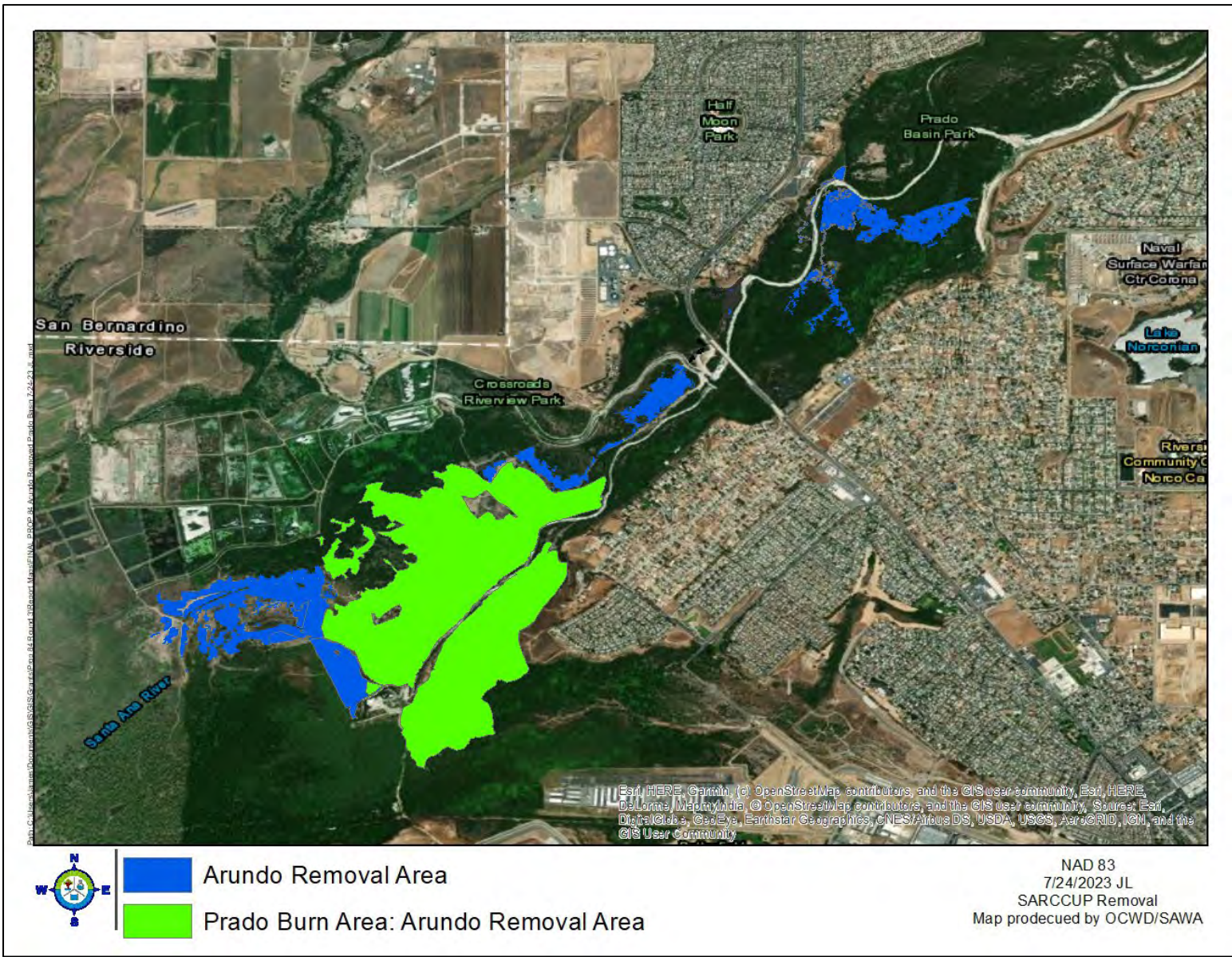


Santa Ana River Conservation & Conjunctive Use Program

Sucker Habitat Locations



Arundo Removal Locations



Water Conservation

- ▶ Water Use Efficiency Budget Assistance (SAWPA):
 - ▶ Assistance for dedicated landscape meter customers,
 - ▶ Up to 10 retail agencies to participate in the program,
 - ▶ 1,200 acre-feet of water to be saved over three years.
- ▶ Smartscape Program (Waterkeeper/Coastkeeper):
 - ▶ Landscape design,
 - ▶ Care for low water use plants,
 - ▶ Irrigation audits,
 - ▶ Irrigation tune-ups, and
 - ▶ Workshops.

Dedicated Landscape Meter Customer Example

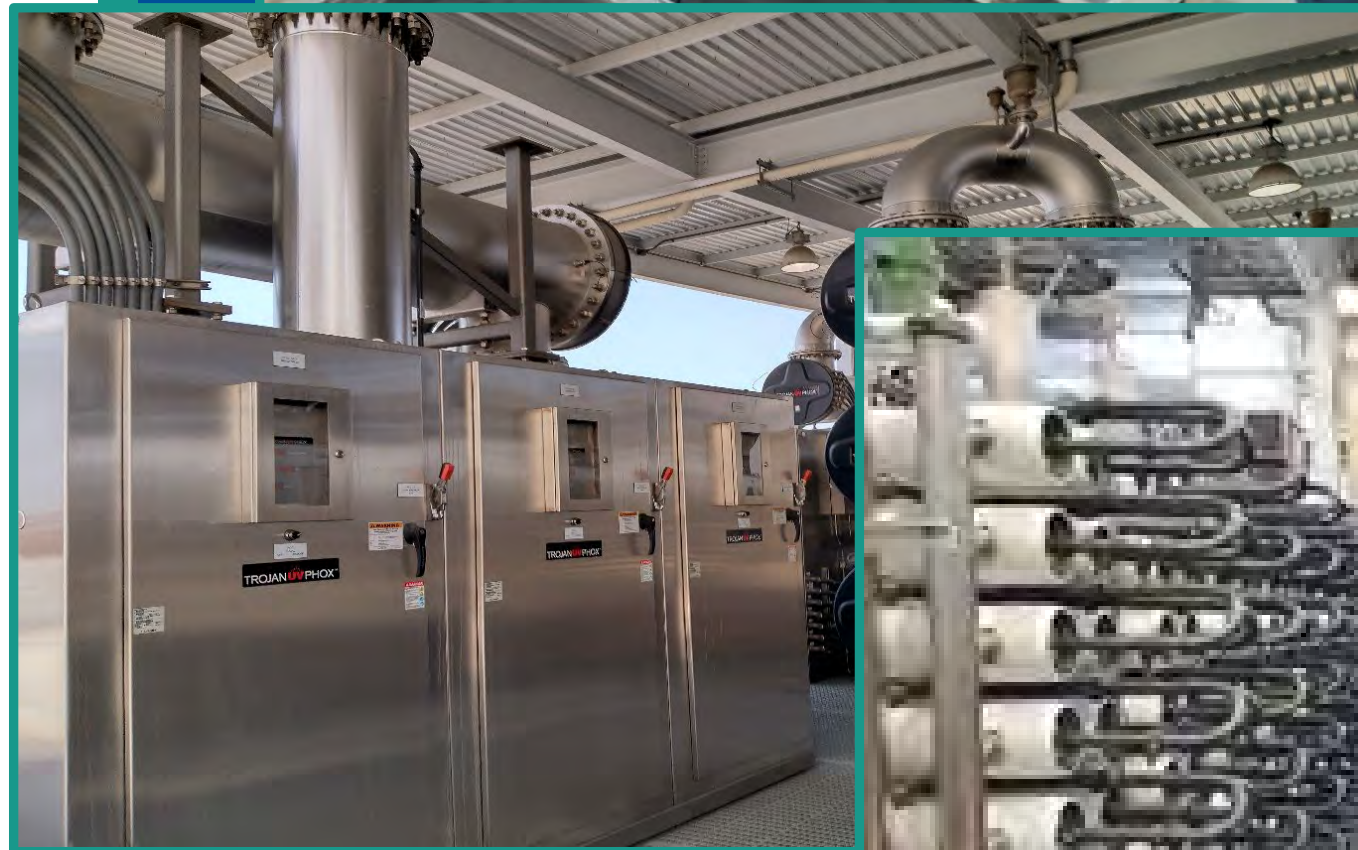


Groundwater Replenishment System

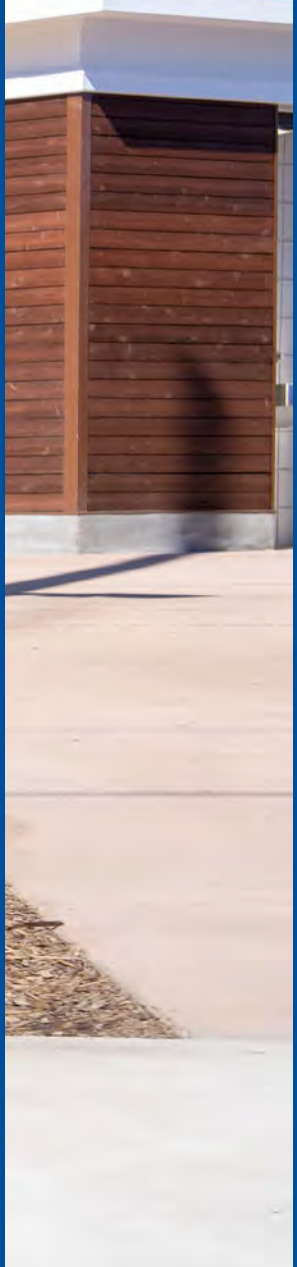
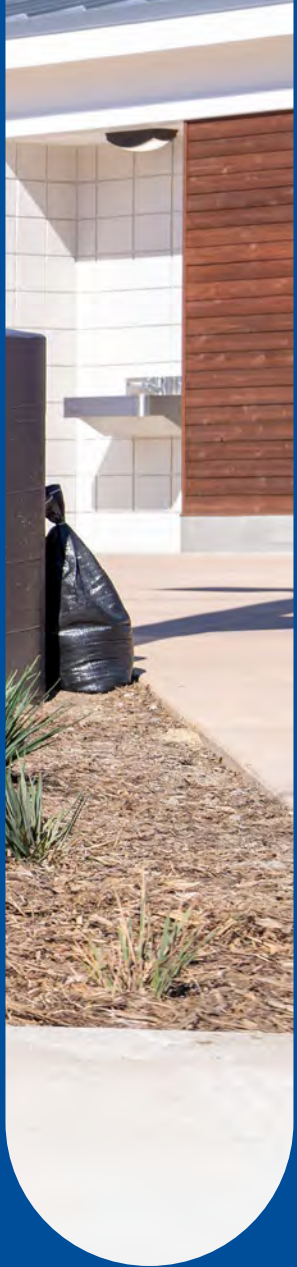
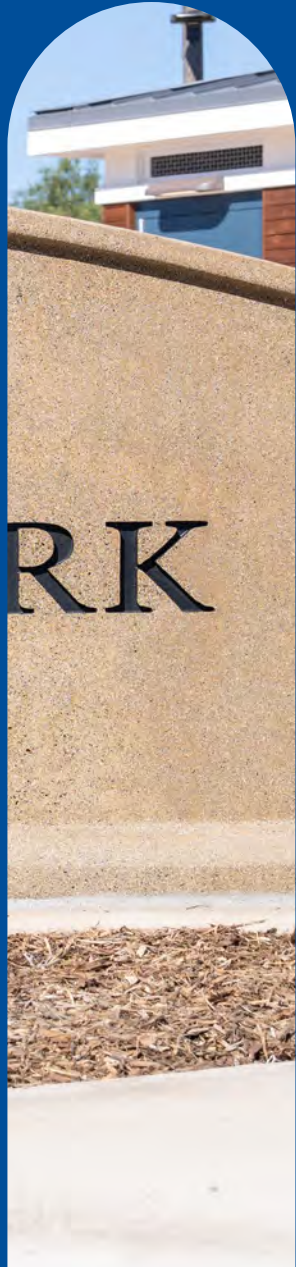
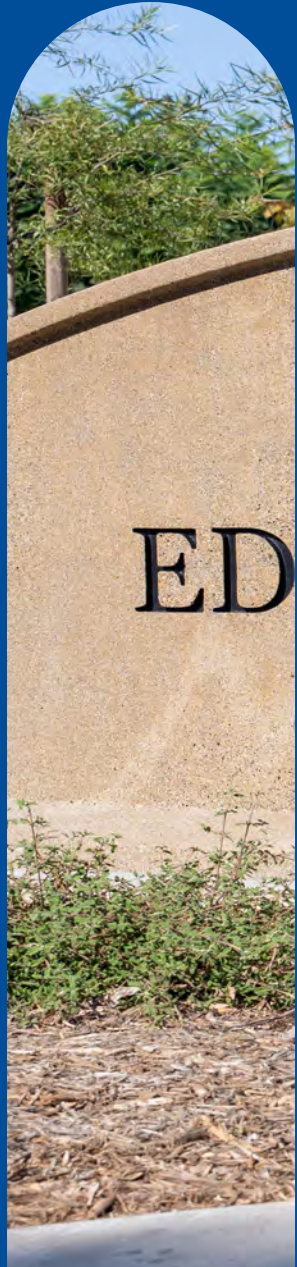
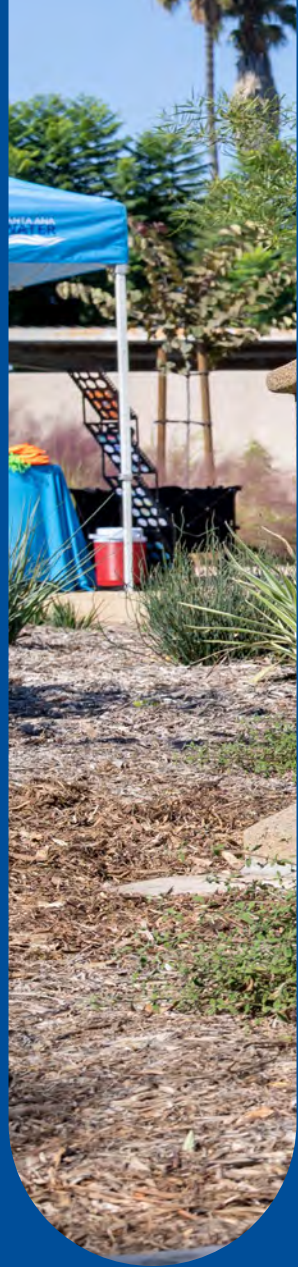


Groundwater Replenishment System

- Prop 1 Round 1 grant funded a component of GWRS – Advanced Water Purification Facility
 - Additional microfiltration treatment
 - Reverse osmosis membrane treatment
 - Ultraviolet light disinfection
 - Decarbonation tower
 - Pumps
 - Chemical tank
- *New water supply*: provide 26,000 to 31,000 AFY of new water supply
- *Water recycling*: recycle approximately 30 mgd of secondary-treated wastewater currently discharged to ocean
- *Salt reduction*: reduce salt load to groundwater basin by 10,000 tons per year



Raitt and Myrtle Park



Raitt and Myrtle Park



- Renamed Ed Caruthers Park
- Construct approximately 3,300 SF of bioretention basins
 - Excavation
 - Backfill with gravel and engineered soil
 - Installation of mulch and landscaping
- Construct Stormchamber system
- Site development
 - Concrete perimeter wall
 - Drinking water fountains
 - Paving, hardscape, pathways
 - Waste receptacles
 - Utilities and lighting
 - Site drainage
- *Groundwater Recharge: 5.3 AFY*
- *Stormwater Management*
- *Pollutant Load Reduction to Newport Bay*

Questions?

Thank You

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OWOW STEERING COMMITTEE MEMORANDUM NO. 2023.8

DATE: November 16, 2023

TO: OWOW Steering Committee

SUBJECT: California Water Plan Update 2023 Public Review Draft

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

Receive and file.

DISCUSSION

Every five years the California Department of Water Resources (DWR) releases an updated version of the California Water Plan (Plan). The Plan is required by Water Code Section 10005(a); it presents the status and trends of California's water-dependent natural resources; water supplies; and agricultural, urban, and environmental water demands for a range of plausible future scenarios.

The major themes of the Plan are:

- Climate resiliency
- Equity
- Watershed resiliency

The theme of Watershed Resilience is of critical importance to the OWOW Steering Committee and OWOW planning process. The Plan includes the first public description of a new DWR program, the Watershed Resilience Program. The Budget Act of 2021 and 2022 provides funding for DWR to begin implementing elements of this new program.

The budget authorized is \$161 million over four years for watershed climate resilience to be provided as grants for drought resilience and identification and assessment of climate risks on a watershed basis. SAWPA submitted a comment letter on the Plan on October 16, 2023, including comments focused on the Watershed Resilience Program. Through this Program, DWR is currently seeking to fund several pilots "watershed networks" to conduct local water resource and climate planning. The pilots will then inform the future State-wide version of this DWR grant program.

ATTACHMENTS:

1. PowerPoint Presentation

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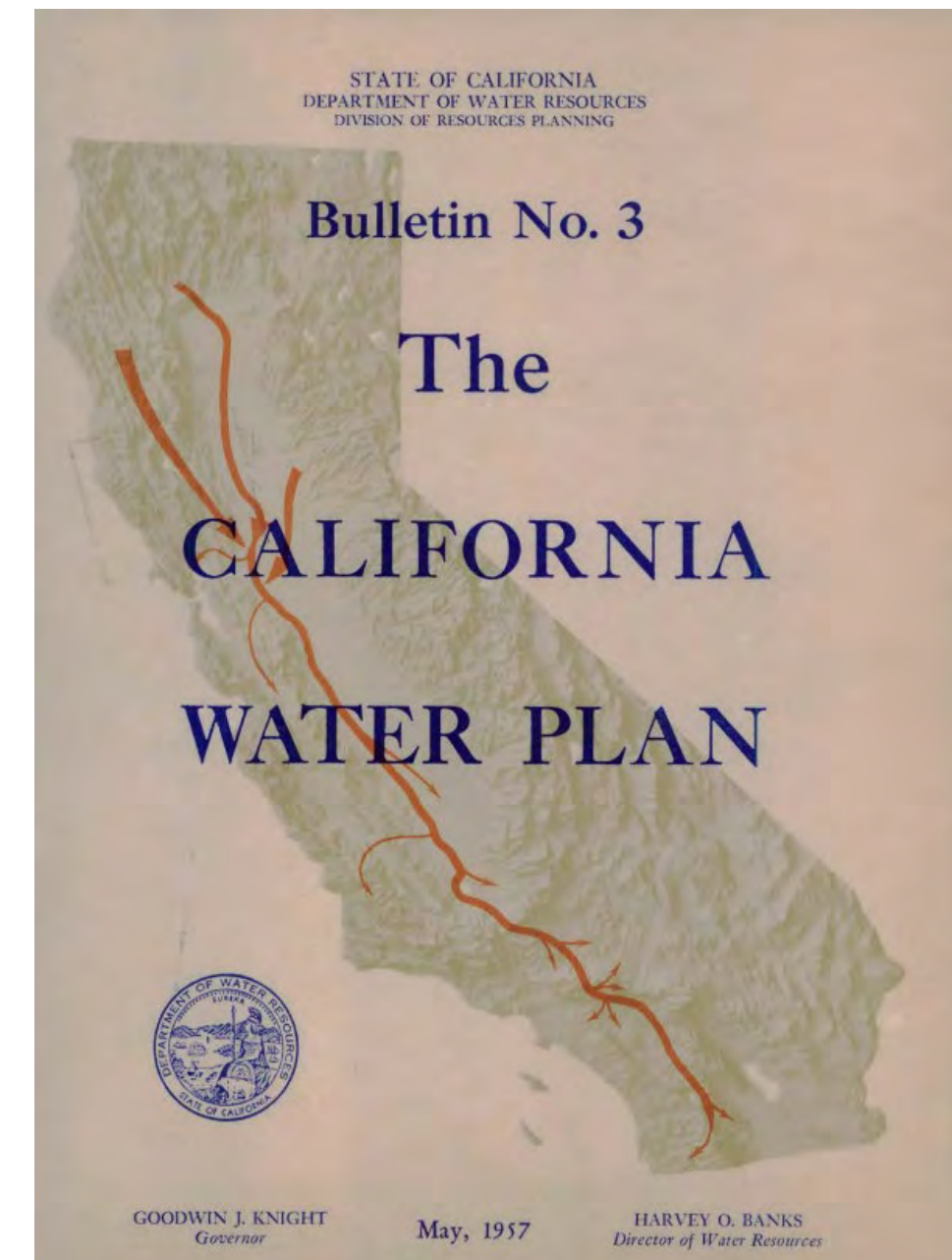


California Water Plan Update 2023 Public Review Draft

OWOW Steering Committee
Item No. 5.A
Ian Achimore
Senior Watershed Manager
November 16, 2023

Background on the Water Plan

- Every five years the California Department of Water Resources (DWR) releases an updated version of the California Water Plan (Plan).
- The Plan is a comprehensive compilation of water data that guides future water policy in the State.
- Required by Water Code Section 10005(a), it presents the status and trends of California's water-dependent natural resources; water supplies; and agricultural, urban, and environmental water demands for a range of plausible future scenarios.

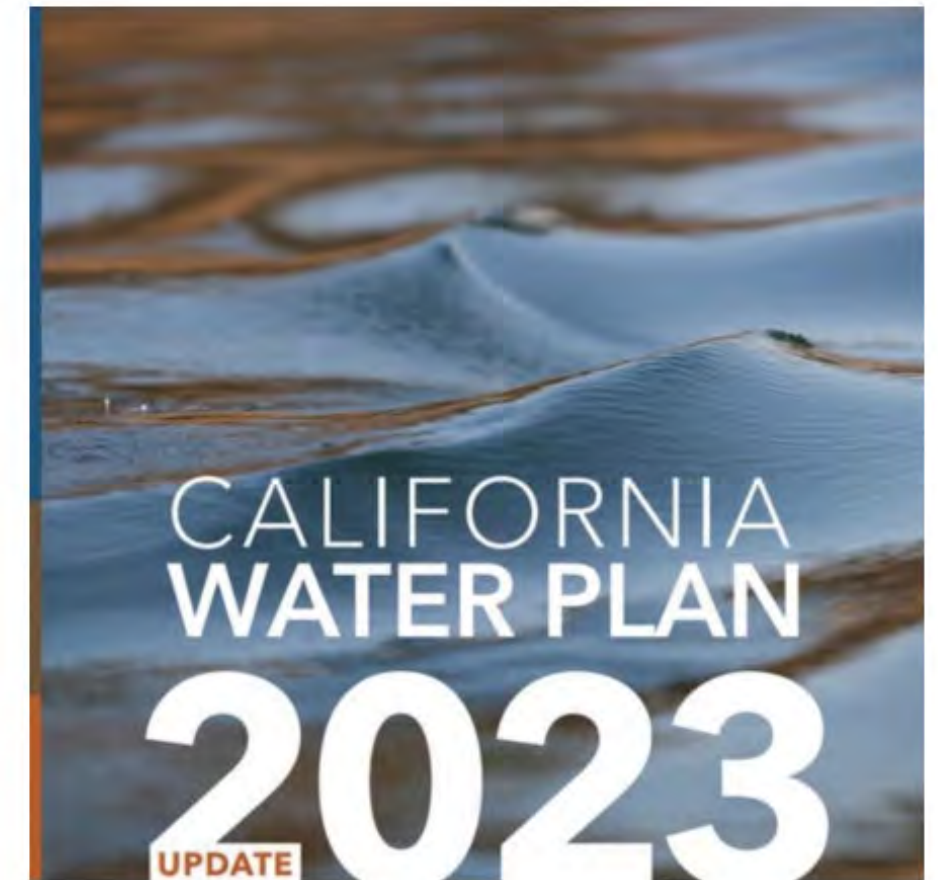


What The Plan Is Not

- Can't mandate actions or authorize spending for specific actions,
- Doesn't make project- or site-specific recommendations nor include environmental review as would be required by the California Environmental Quality Act, and
- Requires policy- and law-makers to take definitive steps to authorize the specific actions proposed in the Plan and appropriate funding needed for their implementation.

Those That Use the Water Plan

- Elected officials
- Government agencies
- Tribes
- Water and resource managers
- Businesses
- Academia
- General public



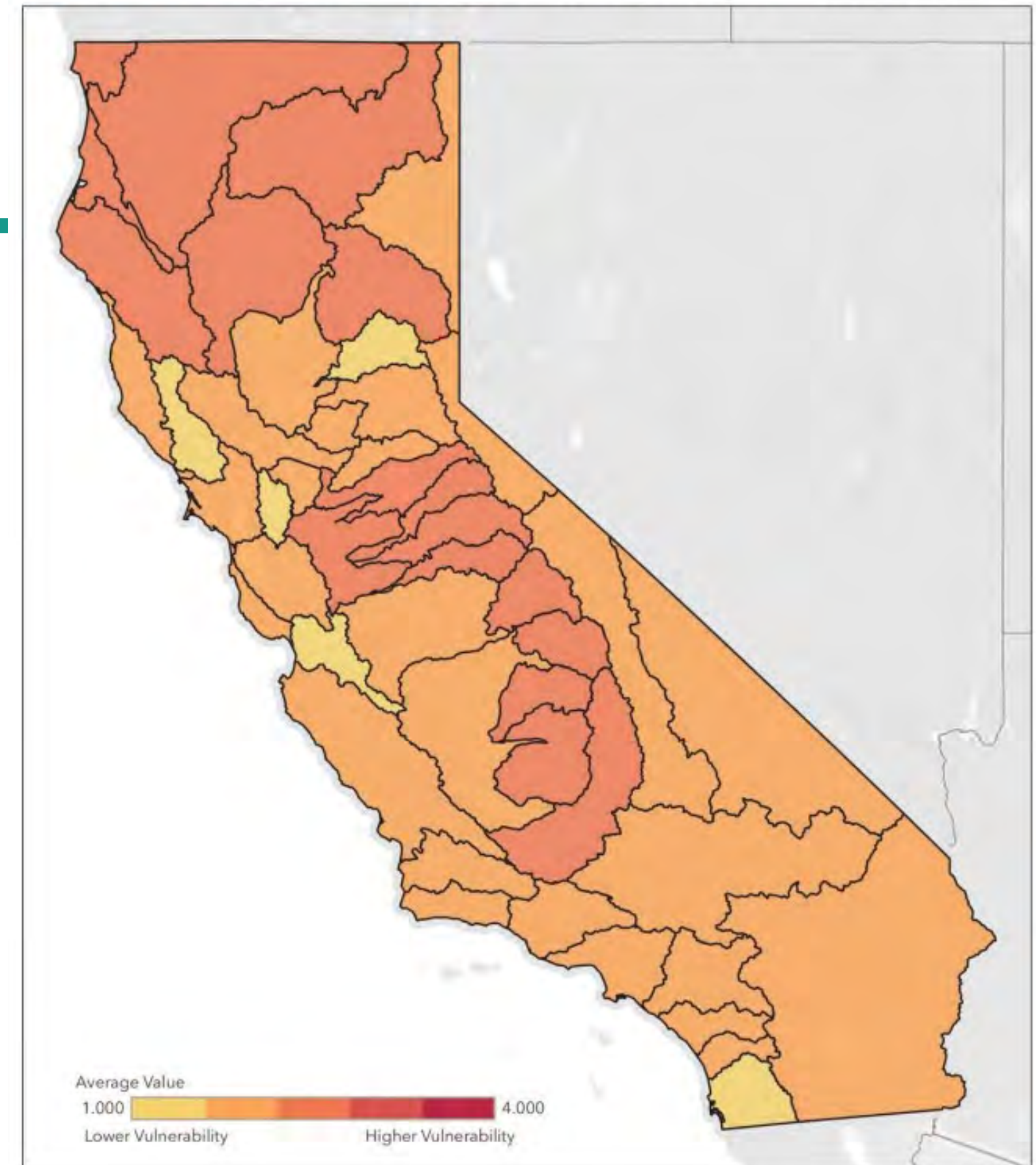
Public Review Draft

September 2023

Major Themes of the 2023 Plan

- Climate resiliency
- Equity
- Watershed Resiliency

Figure ES-3 Projected Climate Vulnerabilities Vary across California



Source of graphic: Draft California Watershed Resilience Assessment (California Department of Water Resources 2023

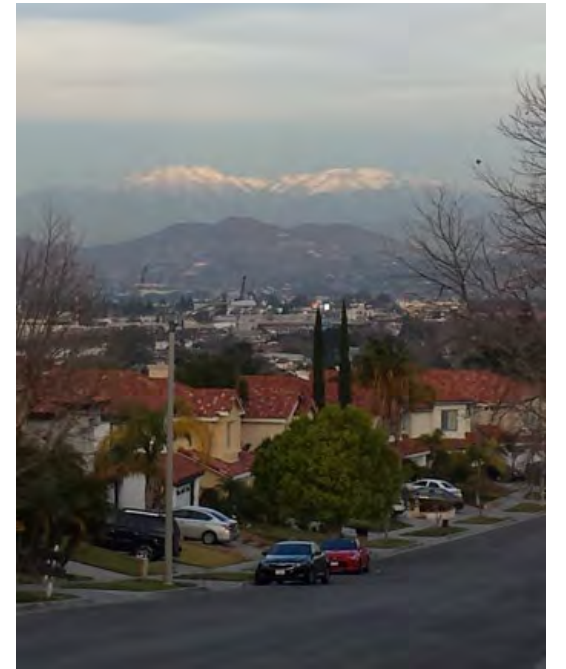
Climate Resiliency

- Draft Plan states existing infrastructure not designed to manage climate challenges.
- Next Plan will include a more advance analysis of climate analysis at watershed scale.
- DWR will specifically evaluate the potential for adaptive operations for the State Water Project to accommodate increasing variability.



Equity

- In 2022, Governor Newsom committed to creating a “California for all” by signing Executive Order N-16-22, directing State agencies to take critical actions and address equity in all strategic plans and updates.”
- The draft Plan recommends that the State and local entities should build upon and expand models for community involvement, including meeting facilitation, language access services, and financial compensation for participation.



Watershed Resiliency

- Watershed Networks are envisioned as “built around commitments to inclusive governance and decision-making, cutting edge climate science, and planning at appropriate watershed scales.”
- Watershed networks provide all water-related sectors a seat at the table to collaborate on understanding climate vulnerabilities and system function, formulating multi-benefit adaptation and management strategies, and tracking watershed outcomes for transparency and accountability” (draft Plan page 5-11)

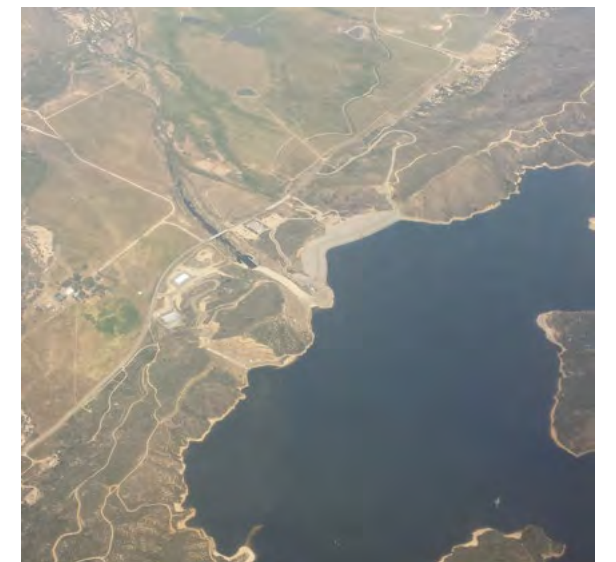
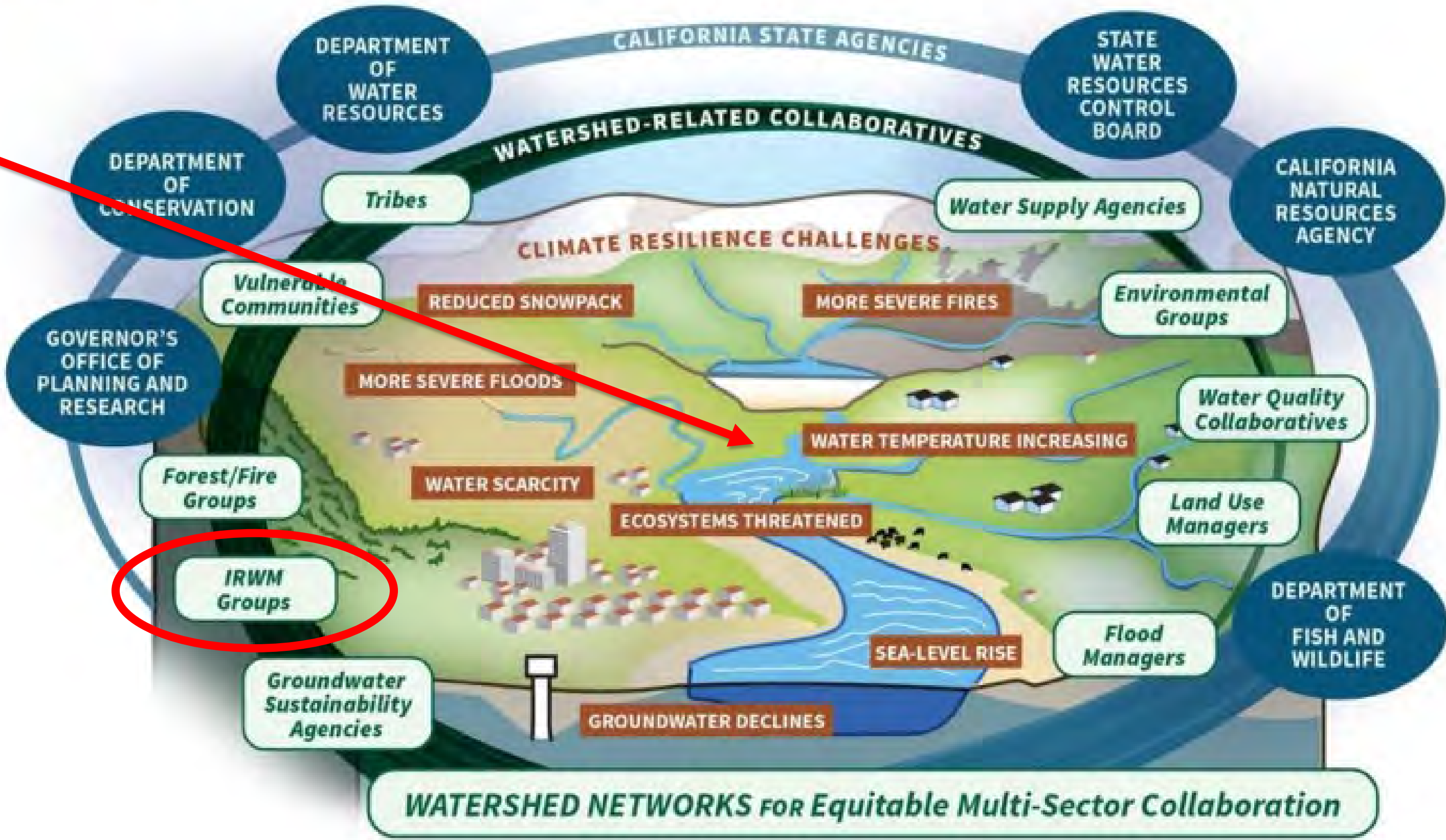


Figure ES-7 Networks Promote Equitable Multi-Sector Collaboration

Central administrator
needed



The DWR Definition of Watershed Networks

These networks “need to represent a broader cross-section of local voices and perspectives, contributing to water plans and projects that are more naturally integrated across such sectors as stormwater, sanitation, recycling, and groundwater management. For example, Tribal government representation on decision-making bodies facilitates the incorporation of indigenous knowledge and practices of holistic watershed management.” (page ES-14 of the draft Plan)



Funding Watershed Networks

- The Budget Act of 2021 and 2022 provided funding for DWR to begin implementing elements of a new Watershed Resilience Program.
- The budget authorized \$161 million over four years for watershed climate resilience to be provided as grants for drought resilience and identification and assessment of climate risks on a watershed basis.
- DWR is currently seeking to pilot the program by funding several pilot watershed networks to conduct this type of planning. The pilots will then inform the future State-wide grant program.



SAWPA Comment Letter

- Submitted October 16, 2023.
- Highlights several items:
 - No mention of per- and polyfluoroalkyl substances (PFAS) and emerging constituents such as microplastics in the draft Plan,
 - Text needed regarding flood water as a source of water supply and how the State is investing in stormwater capture.
 - Text needed that describes how watershed resilience will be accomplished via a driving/convening group, such as IRWM administrators.



Next Steps

- Final version of the Plan to be released by “the end of the year.”
- DWR staff have recently stated that pilot watersheds will be announced after final Plan is released, and
- SAWPA to meet with DWR management staff who wrote the Plan’s section on equity on November 20, 2023.



Questions?

Thank You

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Grant Funded Project Highlights

Steering Committee Meeting

Item No. 5.B

Marie Jauregui

Project Manager

November 16, 2023

Propositions 84 and 1 Project Highlights

Proposition 84
Integrated Watershed Protection
Program

Proposition 84
SARCCUP

Proposition 1 Round 1
Groundwater Replenishment System
Final Expansion

Proposition 1 Round 1
Raitt & Myrtle Park

Integrated Watershed Protection Program



Integrated Watershed Protection Program

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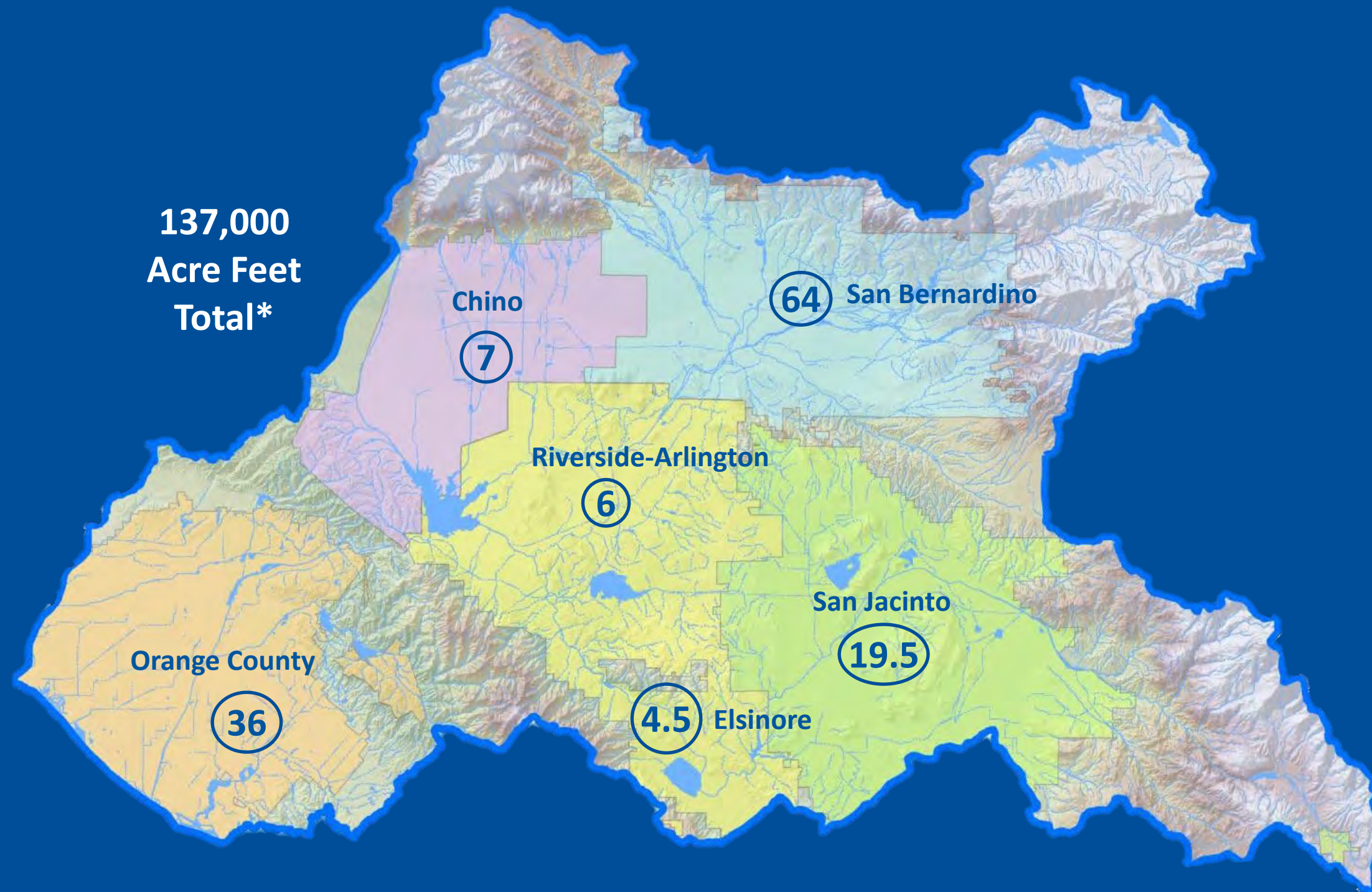




Santa Ana River Conservation & Conjunctive Use Program

(SARCCUP)

Santa Ana River Conservation & Conjunctive Use Program



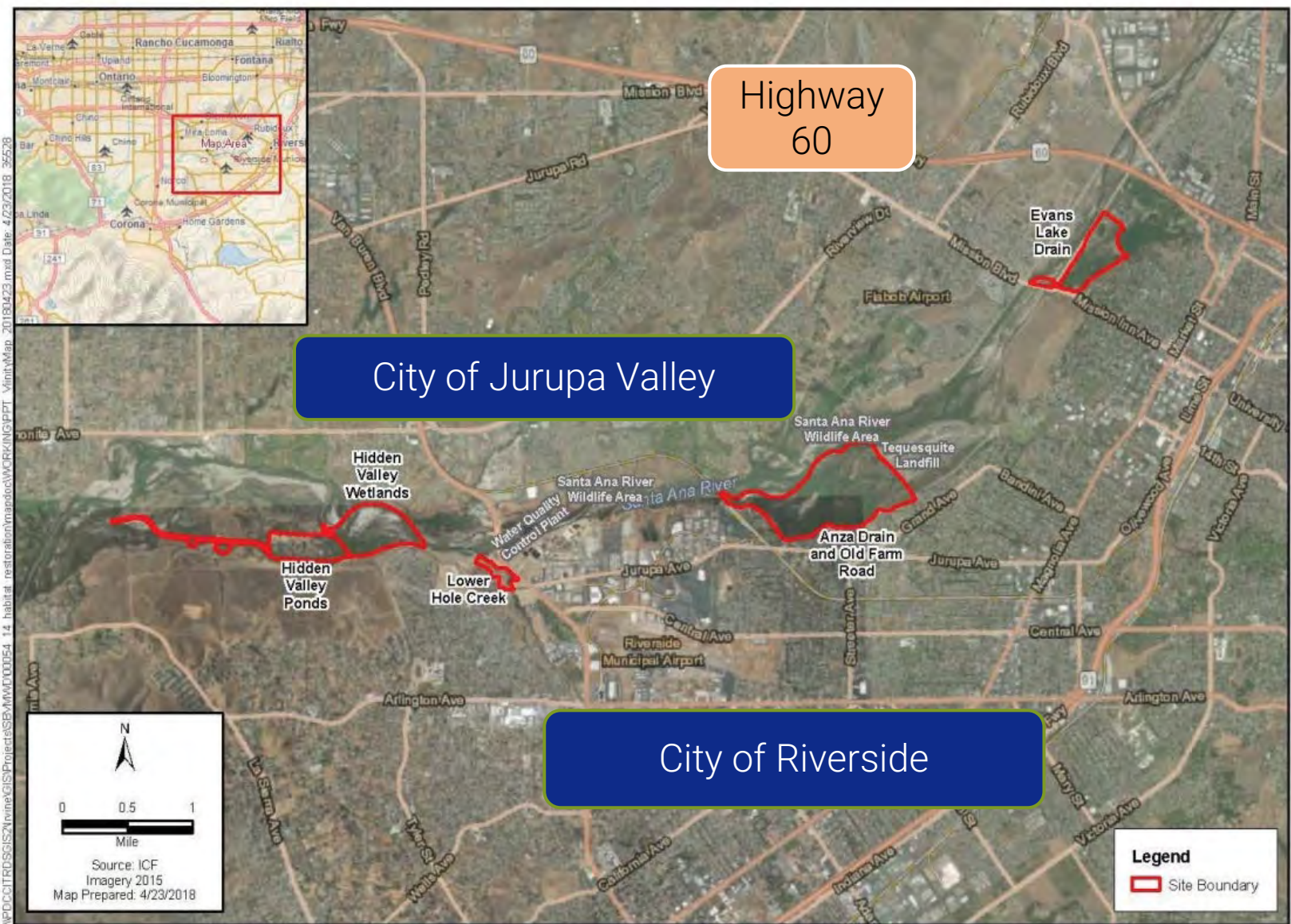
- **Groundwater Banking**
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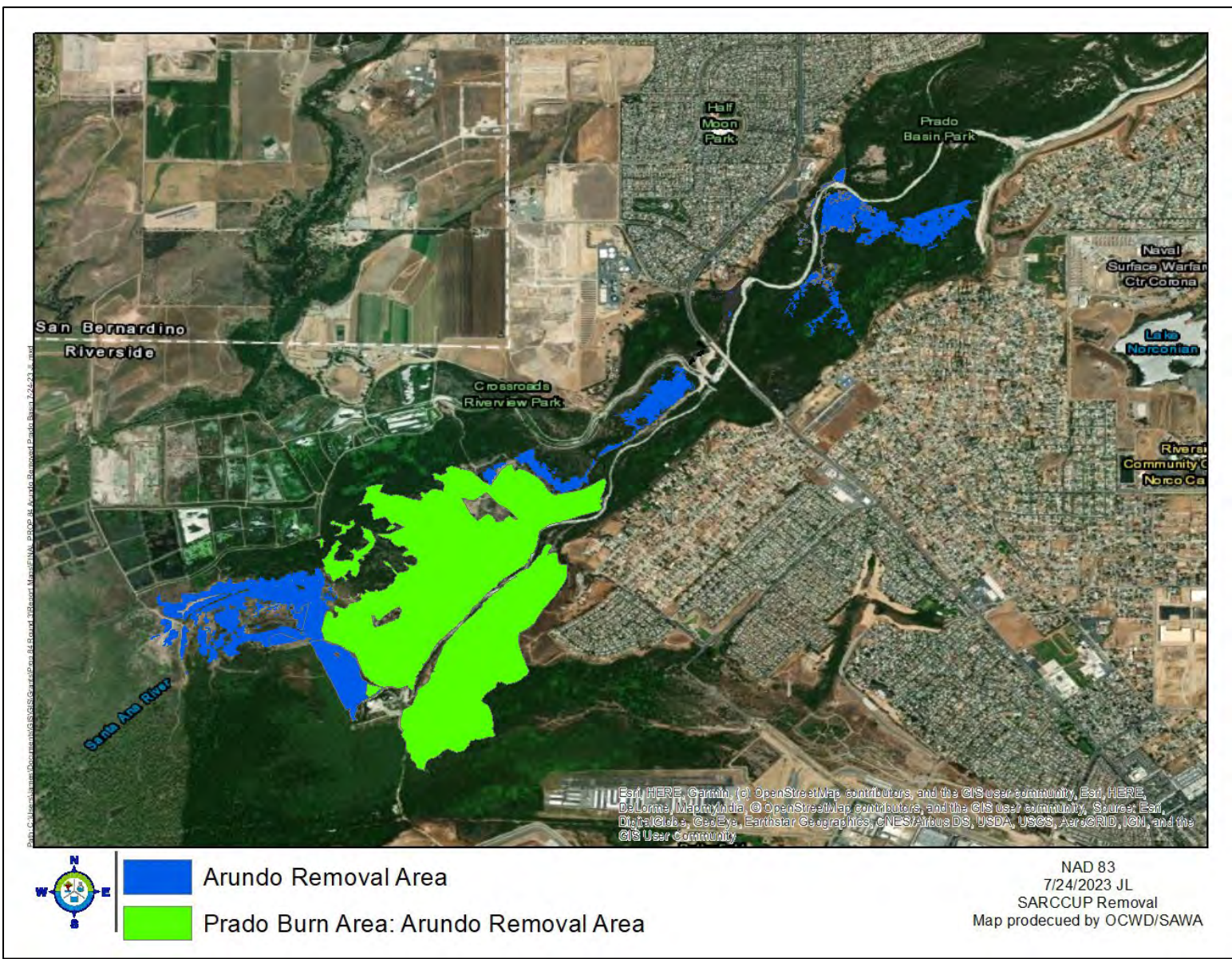


Santa Ana River Conservation & Conjunctive Use Program

Sucker Habitat Locations



Arundo Removal Locations



Water Conservation

- ▶ Water Use Efficiency Budget Assistance (SAWPA):
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- ▶ Smartscape Program (Waterkeeper/Coastkeeper):
 - ▶ Landscape design,
 - ▶ Care for low water use plants,
 - ▶ Irrigation audits,
 - ▶ Irrigation tune-ups, and
 - ▶ Workshops.

Dedicated Landscape Meter Customer Example

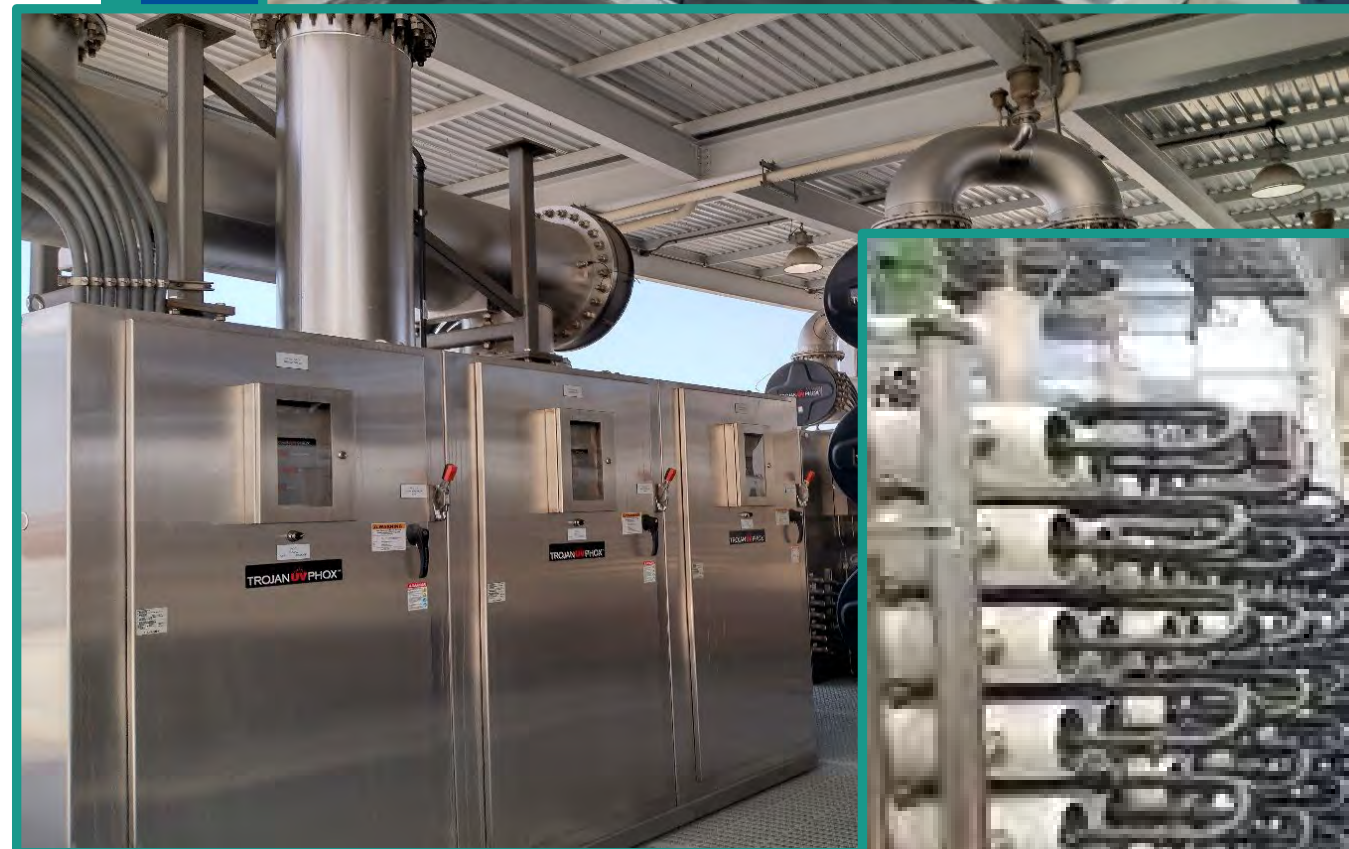


Groundwater Replenishment System

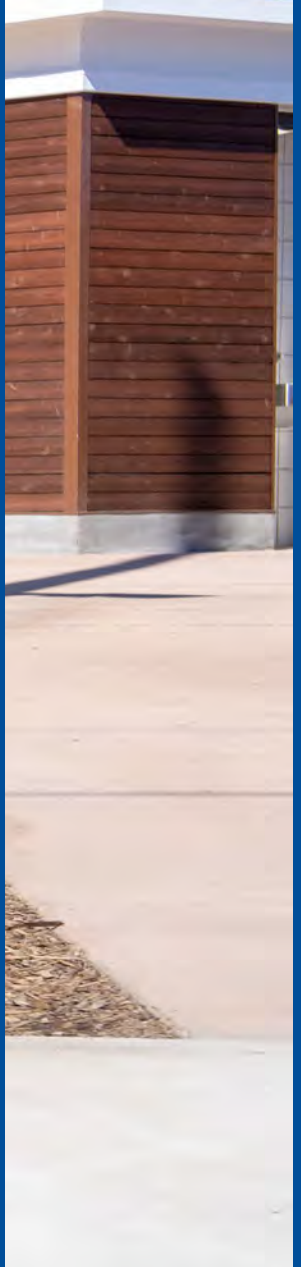
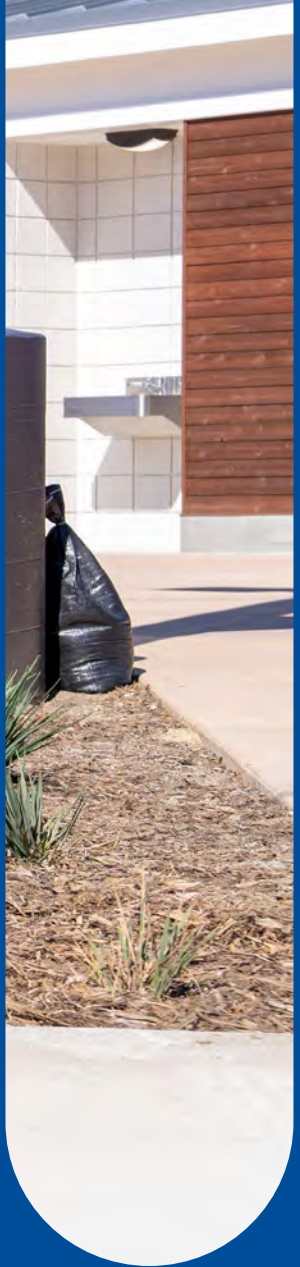
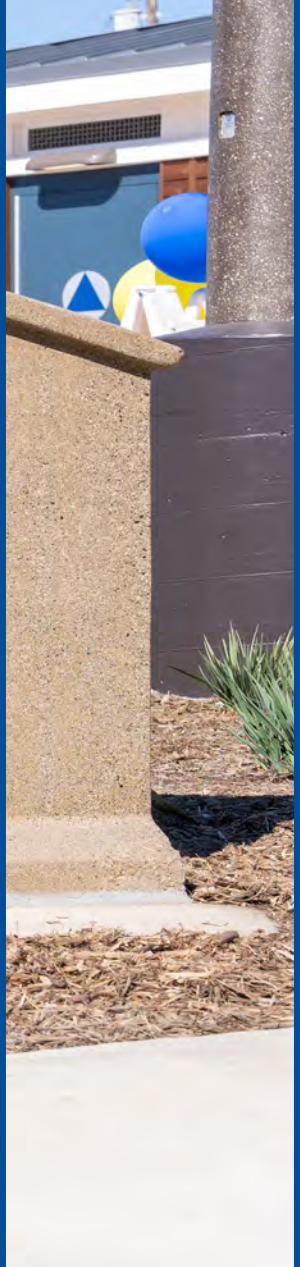
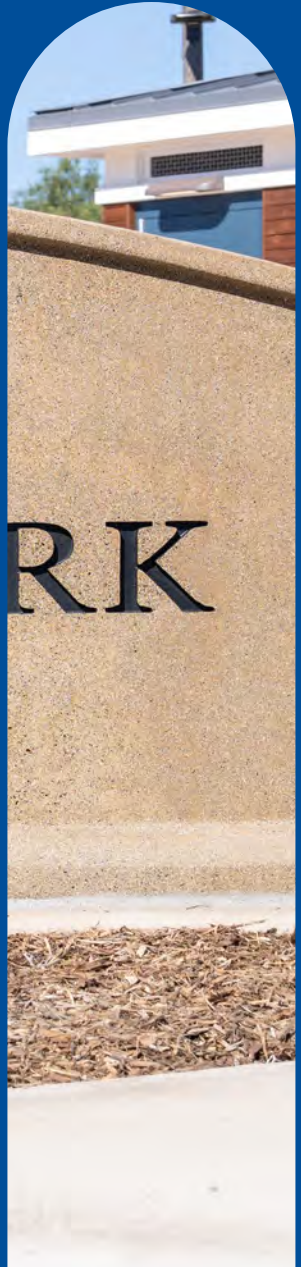
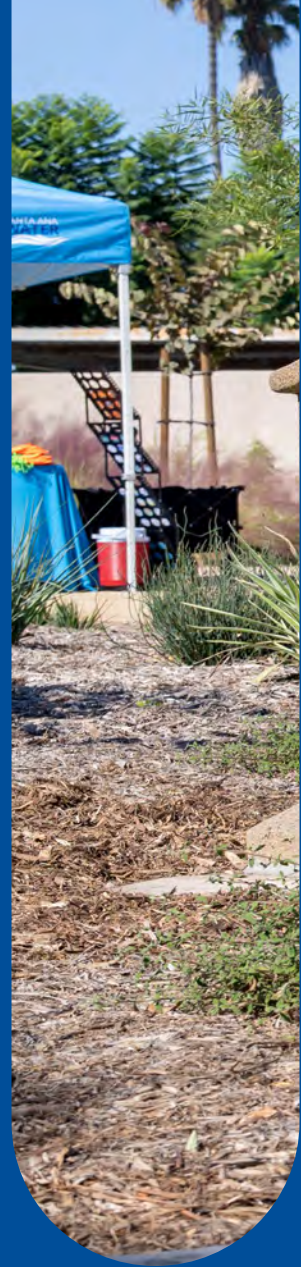


Groundwater Replenishment System

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Raitt and Myrtle Park



Raitt and Myrtle Park



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- *Groundwater Recharge: 5.3 AFY*
- *Stormwater Management*
- *Pollutant Load Reduction to Newport Bay*

Questions?

Thank You

Marie Jauregui
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OWOW STEERING COMMITTEE MEMORANDUM NO. 2023.9

DATE: November 16, 2023

TO: OWOW Steering Committee

SUBJECT: Watershed-Wide Basin Monitoring Program Task Force Update

PREPARED BY: Ian Achimore, Senior Watershed Manager

RECOMMENDATION

Receive and file.

DISCUSSION

Per the Santa Ana Basin Plan (specifically its 2004 Plan Amendment), the Basin Monitoring Program Task Force has several major monitoring related tasks (deliverables) to the Santa Ana Regional Water Quality Control Board (Regional Water Board) listed in the table below. SAWPA serves as the Basin Monitoring Program Task Force administrator since the SAWPA Commission's approval of a 2004 task force agreement.

The Santa Ana Basin Plan is the key regulatory document for groundwater and surface water quality in the Santa Ana River Watershed. There are over twenty task force members across the watershed who pool funding and staff resources to comply with the monitoring-related requirements contained in the 2004 Basin Plan Amendment. This is done for several reasons including 1) assisting individual dischargers (i.e., task force agencies with treatment plants and water recycling projects) with their regulatory permit requirements, and 2) assisting the Regional Water Board with watershed-wide collaboration and water quality reporting.

Table 1: Major Monitoring Related Tasks

Deliverable/Task	Description/Purpose	Timeline for Completion
Ambient Water Quality Update	Analysis of salt* and nutrients** in Santa Ana River Watershed's 35 groundwater management zones (over 4,000 wells).	Every three years (going forward it will be done every five years).
Annual Report of Santa Ana River Water Quality	Preparation of Santa Ana River surface water quality report.	Developed annually and submitted by August 1.
Wasteload Allocation Model	Development of a surface discharge allocation to confirm compliance of surface water discharges with ground water quality regulatory requirements.	Performed every ten years.

*Salt is more specifically regulated as the broader pollutant category of total dissolved solids (TDS).

**Nutrients are regulated as Total Inorganic Nitrogen (TIN).

ATTACHMENTS:

1. PowerPoint Presentation

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Watershed-Wide Basin Monitoring Program Task Force Update

OWOW Steering Committee Meeting

Item No. 5.C

Ian Achimore

Senior Watershed Manager

November 16, 2023

SAWPA and Task Forces

SAWPA administers several task forces which generally have the following traits:

- SAWPA manages the contracts with task force consultants,
- Task Force has as an annual budget which the members contributes to,
- Task Force has a focus on regulatory compliance,
- Task Force has water agency members*,
- Task Force has a regulatory agency partner, and
- Task Force meets on a regular frequency, such as monthly or quarterly.



*Usually flood control districts, retail water agencies and/or wholesale water agencies.

Background on Regional Board & Basin Plans

- Each of the nine regional boards adopt a Basin Plan, which recognizes regional differences in existing water quality, and the beneficial uses of ground and surface waters.
 - The Basin Plan establishes water quality standards for the ground and surface waters of the region.
- The Regional Board also regulates *waste discharges* to minimize and control their effects on the quality of the region's ground and surface water.
 - Discharge permits are issued under several programs and authorities.



Santa Ana Basin Plan History

- The 1971 Interim Water Quality Control Plan set water quality objectives for the Santa Ana River, specifically at Prado Dam.
- Also in the early 1970s, the Regional Board was investigating the salt balance in the upper watershed.
- The 1975 Basin Plan outlined a specific water quality management scheme designed to improve groundwater quality in the upper watershed.
- During public hearings to consider adoption of the 1995 Basin Plan, several water agencies commented that the salt and nutrient-related groundwater objectives should be reviewed, considering the estimated cost of compliance (several billion dollars).



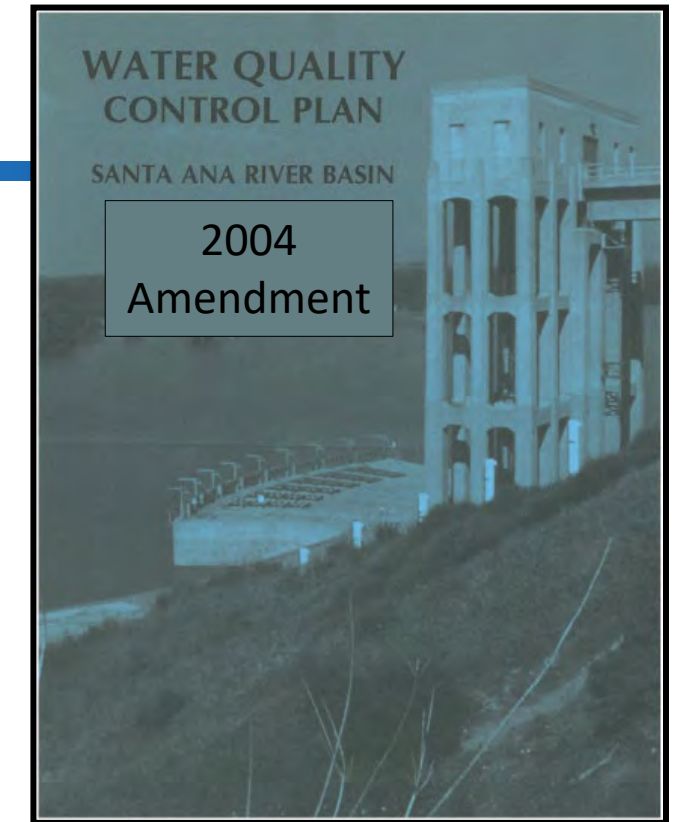
How the Task Force Started

- From 1995 to 2003, local water agencies funded watershed-wide studies to review the salt and nutrient-related water quality objectives in the 1995 Basin Plan.
- Their work led to a Basin Plan Amendment in 2004.
- As part of the 2004 amendment, water quality objectives were updated, and new monitoring tasks were added.
 - The individual agencies (which became the Basin Monitoring Task Force) were identified as responsible for certain monitoring-related tasks.



Why the Task Force Started

- Because new monitoring-related tasks were included in the 2004 Basin Plan Amendment, and Task Force members were named as responsible for some of these tasks.
- And more broadly to -
 - Assist individual dischargers (i.e. task force agencies with treatment plants and water recycling projects) with their regulatory permit requirements*.
 - Assist the Regional Board with watershed-wide collaboration and water quality reporting.



*Specifically, their water quality regulatory requirements for two pollutants – salt and nutrients.

Major Monitoring Related Tasks

Deliverable/Task	Description/Purpose	Timeline for Completion
Ambient Water Quality Update	Analysis of salt* and nutrients** in Santa Ana River Watershed’s 35 groundwater management zones (over 4,000 wells).	Performed every three years (going forward it will be done every five years).
Annual Report of SAR Water Quality	Preparation of Santa Ana River surface water quality report.	Performed annually and submitted by August 1.
Wasteload Allocation Model	Development of a surface discharge allocation to confirm compliance of surface water discharges with ground water quality regulatory requirements.	Performed every ten years.

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Current Task Force Members

Beaumont Cherry Valley Water District*	Elsinore Valley Municipal Water District
Chino Basin Watermaster	Inland Empire Utilities Agency
City of Banning*	Irvine Ranch Water District
City of Beaumont	Jurupa Community Services District
City of Corona	Orange County Water District
City of Redlands	San Bernardino Valley Municipal Water District*
City of Rialto	San Geronio Pass Water Agency*
City of Riverside	Temescal Valley Water District
Colton/San Bernardino Regional Tertiary Treatment and Wastewater Reclamation	Western Riverside Co Regional Wastewater Authority/Western Municipal Water District
Eastern Municipal Water District	Yucaipa Valley Water District



- Four new agencies added in 2015 (noted with *)
- Santa Ana Regional Board also a non-funding task force agency

Major Accomplishments of the Task Force

- 1) Twelve Annual Reports of SAR Water Quality
- 2) Five Ambient Groundwater Updates
- 3) Two Wasteload Allocation Model Updates
- 4) Dozens of Discharge Permit Renewals
- 5) Four Basin Plan Amendments
- 6) Prevented 303(d) Listings
- 7) ZERO Litigation



Recent Task Force Activities

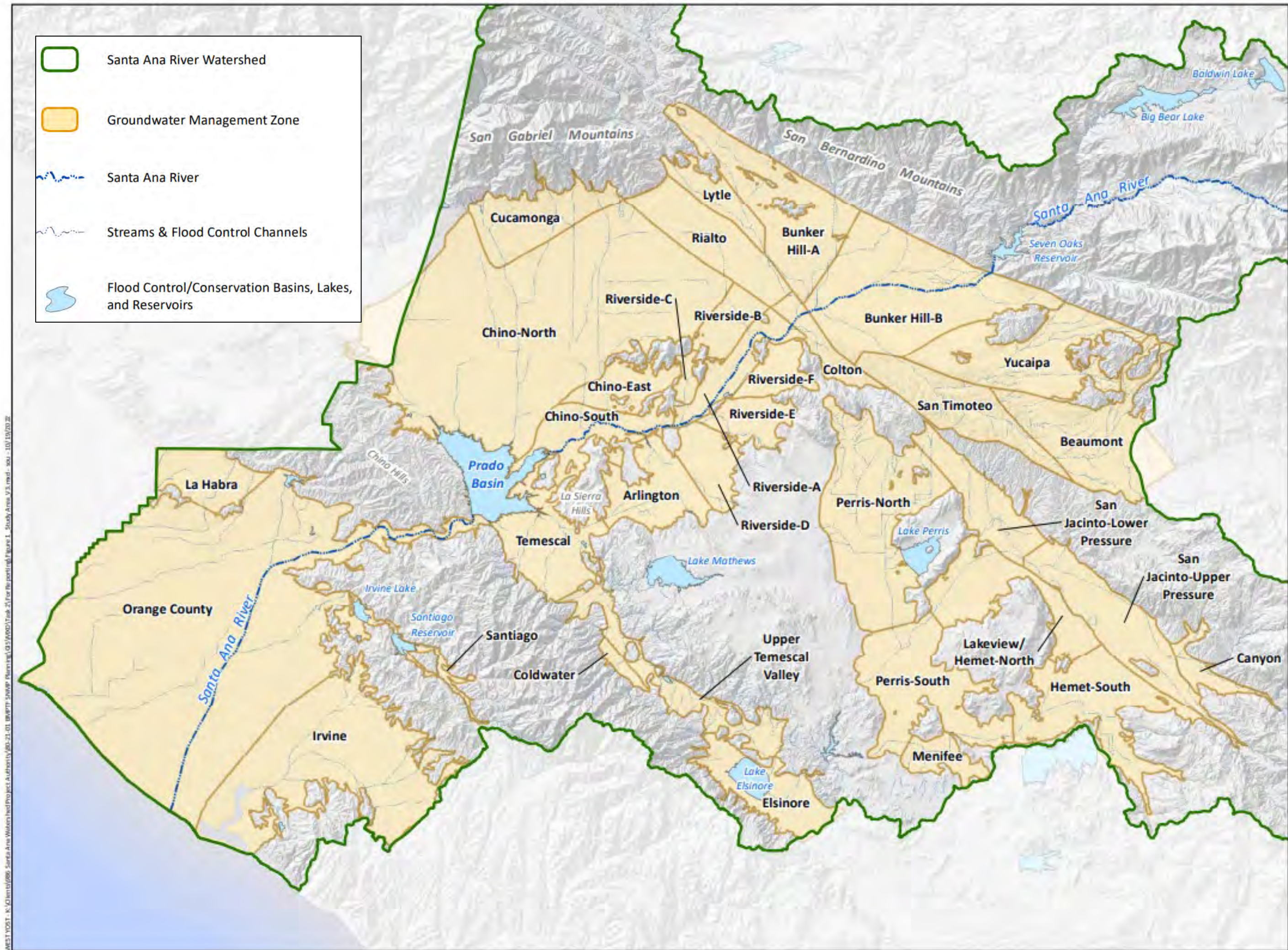
- Updates to monitoring works plans for surface and ground water,
- Analysis of potential groundwater monitoring gaps in the watershed,
- New monitoring sites managed by the Task Force, and
- Draft versions of regulatory documents:
 - Declaration of Conformance with 2019 Recycled Water Policy, and
 - 2024 Basin Plan Amendment.



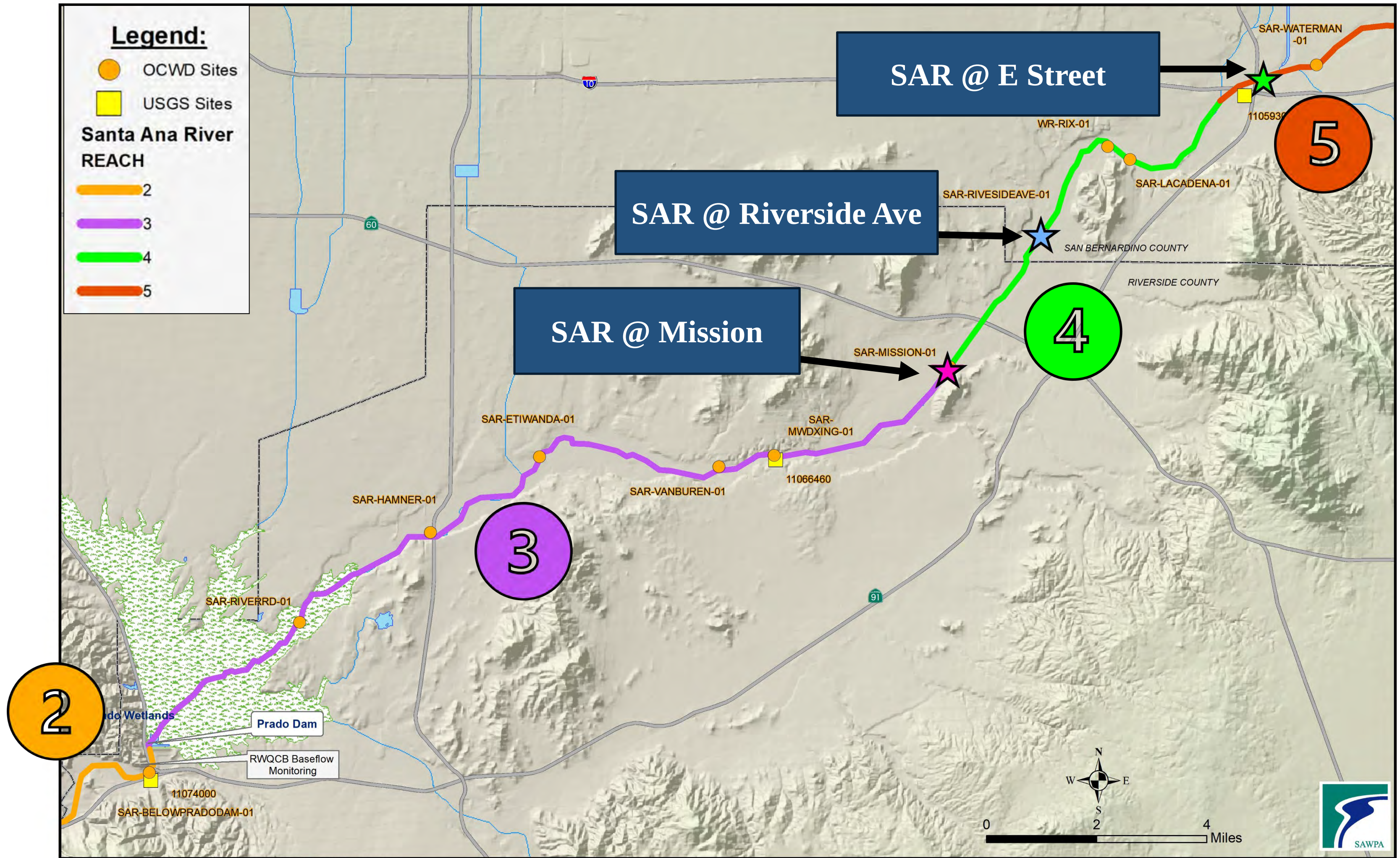
Ground and Surface Water Work Plans

- Recommendations for Future Groundwater Work (Example):
 - Update the storage models for groundwater management zones (GMZs) where new or improved understanding is available.
 - Pilot the new groundwater monitoring calculation method prior to selection.
- Recommendations for Future Surface Water Work Plans (Example):
 - Develop and perform a “Special Study” to address data gaps in Santa Ana River Reach 3 to better quantify the magnitude and quality of rising groundwater and streambed recharge.

Groundwater Management Zones



Santa Ana River Reaches



Monitoring Across the Watershed

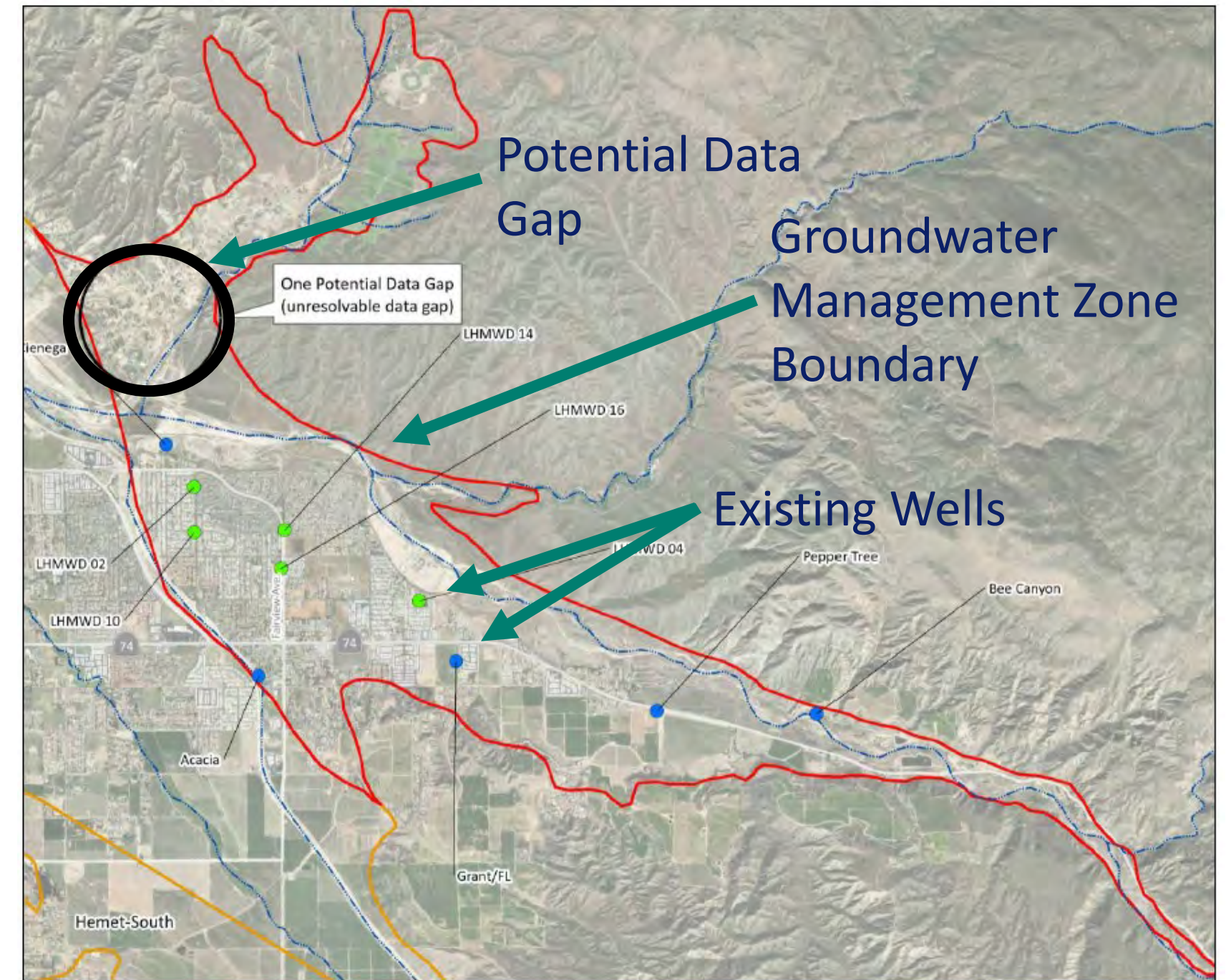
- The Task Force is dedicated to using the best science and relies on over 4,000 wells for TDS and Nitrogen groundwater monitoring data,
- The surface water monitoring involves 13 sites along reaches 2 through 5 for the Santa Ana River. Several agencies currently collect this data:
 - Basin Monitoring Task Force (Beginning in 2024)
 - Orange County Water District
 - Regional Board
 - U.S. Geological Survey



Potential Groundwater Data Gaps

As a requirement of the 2019 Recycled Water Policy, the Task Force develop a data gap report that included the following:

1. Identified the potential data gaps in each of the 35 groundwater management zones (GMZ),
2. Defined the criteria to prioritize the timeframe for resolving potential data gaps, and
3. Recommended the agencies to resolve potential gaps in each GMZ.



Canyon GMZ (Example)

Next Steps for Task Force

- Provide Regional Board with draft Basin Plan amendment package for their April 2024 Board Meeting
 - Basin Plan amendment package will include text that modifies some of the calculations for surface water and groundwater monitoring per the recent work plans.
- Implement surface water and groundwater work plans,
- Address data gaps over the next five years, and
- Implement “Special Study” over the next several years.

Questions?

Thank You

Ian Achimore
Santa Ana Watershed Project Authority
Office (951) 354-4233
iachimore@sawpa.org
sawpa.org



OWOW STEERING COMMITTEE MEMORANDUM NO. 2023.10

DATE: November 16, 2023

TO: OWOW Steering Committee

SUBJECT: Integrated Climate Adaptation and Resiliency Program Regional Resilience Planning and Implementation Grant Program

PREPARED BY: Rachel Gray, Water Resource and Planning Manager

RECOMMENDATION

Receive and file.

DISCUSSION

This informational item has been developed to inform the One Water One Watershed (OWOW) Steering Committee of a grant opportunity available through the Governor's Office of Planning and Research Integrated Climate Adaptation and Resiliency Program's (ICARP) Regional Resilience Planning and Implementation Grant Program (RRGP). The RRGp will invest funding into regions advancing resilience and responding to their regions' greatest climate risks through three major activities: capacity building, planning (including identifying climate resilience priorities), and project implementation.

The first grant cycle will invest \$9.4 million for regions planning for climate adaptation and developing action plans that prioritize projects or actions addressing the greatest climate risks facing a region, particularly in the most vulnerable communities.

SAWPA submitted a grant application to the Governor's Office of Planning and Research to develop a regional Climate Adaptation and Resilience Plan for the Santa Ana River Watershed. A determination on successful grant application is anticipated in November 2023.

SAWPA's experience performing integrated watershed management would pivot to defining watershed-scale climate risks, development of watershed-wide climate adaptation strategies that highlight the planned and potential resiliency projects and strengthen broad-based partnerships that advance shared interests across the region. The vision is to advance the implementation of watershed resilience in the Santa Ana River watershed through the development of a Regional Climate Adaptation and Resilience Plan.

A decision on the grant application is expected mid-December, 2023.

CRITICAL SUCCESS FACTORS

- Leverage existing information for the benefit of SAWPA, its members, and other stakeholders.
- Active participation of a diverse group of stakeholders representing counties, cities, and water districts, as well as the tribal communities and the regulatory, community-based, and environmental justice communities who integrate the different interests in the watershed beyond political boundaries. Ensuring all perspectives are heard and valued during the development of the regional climate adaptation and resilience plan.

- SAWPA has a strong reputation and sufficient capacity within SAWPA staff for strategic facilitation, planning, communication, leadership and community engagement.
- Supplement the OWOW Plan with the Regional Climate Adaptation and Resilience Plan.

RESOURCE IMPACTS

The application effort cost to respond to the grant program is covered by the existing Planning Department's budget.



Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: TUMF Program Activities Update: Approval of Three TUMF Credit Agreements
Contact: Brian Piche-Cifuentes, Transportation Analyst I, bpiche-cifuentes@wrcog.us, (951) 405-6705
Date: December 4, 2023

Recommended Action(s):

1. Authorize the Executive Director to execute a TUMF Credit Agreement between WRCOG, the City of Hemet, and Pulte Home Company, LLC., for the widening of New Stetson Road northbound for a maximum credit of \$1,005,843.
 2. Authorize the Executive Director to execute a TUMF Credit Agreement between WRCOG, the City of Lake Elsinore, and Pulte Home Company, LLC., for the improvement of 4,130 linear feet of Nichols Road from Lake Street to Terra Cotta Road and 3,300 linear feet of Lake Street from Alberhill Ranch Road to a portion extending beyond Nichols Road for a maximum credit of \$4,732,000.
 3. Authorize the Executive Director to execute a TUMF Credit Agreement between WRCOG, the City of Menifee, and Pulte Home Company, LLC., for the improvements of Goetz Road from the beginning south of Thornton Avenue and ending north of McLaughlin Road with a maximum credit of \$1,208,943.
-

Summary:

The City of Hemet would like to enter into a Credit Agreement with WRCOG and Pulte Home Company for the transportation system improvements of New Stetson Road with one additional TUMF northbound lane.

The City of Lake Elsinore would like to enter into a Credit Agreement with WRCOG and Pulte Home Company for the transportation system improvements of Nichols Road from Lake Street to Terra Cotta Road by adding two lanes, curb and gutter, and traffic signals. The City would also like to add two lanes, a curb and gutter, and traffic signal improvements to Lake Street from Alberhill Ranch Road to a portion extending beyond Nichols Road.

The City of Menifee would like to enter into a Credit Agreement with WRCOG and Pulte Home Company for the improvements of Goetz Road south of Thornton Avenue and ending north of McLaughlin Road. The City is looking for the Right-of-Way dedication and construction of one northbound lane on Goetz Road and one southbound lane on Goetz Road beginning south of Thornton Avenue and ending north of McLaughlin Road.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to request approval of three TUMF Credit Agreements. This effort supports WRCOG's 2022-2027 Strategic Plan Goal #5 (Develop projects and programs that improve infrastructure and sustainable development in our subregion).

Discussion:

Background

WRCOG's TUMF Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in Western Riverside County. A TUMF Credit Agreement is a document between WRCOG, a member agency, and a developer, and allows WRCOG to provide credit towards TUMF fees. This credit is established by work completed for the Planning, Design, Engineering, and/or Construction Phase(s) of a TUMF facility. To enter into a Credit Agreement, the project must have eligible funding identified in WRCOG's current TUMF Nexus Study. TUMF Credit Agreements give credit for eligible infrastructure built as part of new development. Developers contribute to the TUMF Program through direct work on facilities. The maximum amount of credit a developer can receive is determined through the TUMF Nexus Study project list.

Present Situation

TUMF Credit Agreements:

1. The TUMF Credit Agreement between WRCOG, the City of Hemet, and Pulte Home Company will have the project work done on the northbound TUMF lane along New Stetson Road. Pulte Home Company will be given credit up to a maximum amount of \$1,005,843 for TUMF-eligible work.
2. The TUMF Credit Agreement between WRCOG, the City of Lake Elsinore, and Pulte Home Company will have project work done on Nichols Road from Lake Street to Terra Cotta Road and improvements to Lake Street from Alberhill Ranch Road to a portion extending beyond Nichols Road. Pulte Home Company will be given credit up to a maximum amount of \$4,732,000 for TUMF-eligible work.
3. The TUMF Credit Agreement between WRCOG, the City of Menifee, and Pulte Home Company will improve Goetz Road from the beginning south of Thornton Avenue and ending north of McLaughlin Road. Pulte Home Company will be given credit up to a maximum amount of \$1,208,943 for TUMF-eligible work.

Prior Action(s):

None.

Financial Summary:

TUMF liabilities with respect to credit agreements are recognized when the developer's credit exceeds the developer obligation and creates projected liability. These liabilities are reflected as fiduciary fund long-term debt in WRCOG's financials under the TUMF Fund. These potential liabilities are subject to reimbursement based on the availability of funding in their respective TUMF zones.

Attachment(s):

Amendment 1 - TUMF Credit Agreement with the City of Hemet - Pulte Homes

Amendment 2 - TUMF Credit Agreement with the City of Lake Elsinore - Pulte Homes

Amendment 3 - TUMF Credit Agreement with the City of Menifee - Pulte Homes

Attachment

TUMF Improvement and
Credit Liability Agreement –
WRCOG, Pulte Homes LLC.,
and City of Hemet – New
Stetson Road

**IMPROVEMENT AND CREDIT / REIMBURSEMENT AGREEMENT
TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM**

This **IMPROVEMENT AND CREDIT AGREEMENT** (“Agreement”) is entered into this ____ day of _____, 2023____, (the “Effective Date”) by and between the City of Hemet a California municipal corporation (“AGENCY”), the Western Riverside Council of Governments, a joint powers Agency, (“WRCOG”) and Pulte Home Company, a Michigan limited liability company, authorized to do business in California as a Corporation Service Company, with its principal place of business at 27401 Los Altos, Suite 400, Mission Viejo, CA 92691 (“Developer”). AGENCY and Developer are sometimes hereinafter referred to individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, Developer owns approximately 36.38 acres of real property located within the territorial boundaries of the AGENCY, County of Riverside, California, which is more specifically described in the legal description set forth in Exhibit “A”, attached hereto and incorporated herein by this reference (“Property”);

WHEREAS, Developer has requested from AGENCY-certain entitlements and/or permits for the construction of improvements on the Property, which are more particularly described as 150 single-family residential units within Tract No. 35392 (“Project”);

WHEREAS, the AGENCY is a member agency of WRCOG, a joint powers agency comprised of the County of Riverside and 18 cities located in Western Riverside County. WRCOG is the administrator for the Transportation Uniform Mitigation Fee (“TUMF”) Program;

WHEREAS, as part of the TUMF Program, the AGENCY has adopted “Transportation Uniform Mitigation Fee Nexus Study: 2016 Update” (“2016 Nexus Study”)

WHEREAS, as a condition to AGENCY’s approval of the Project, AGENCY has required Developer to construct certain street and transportation system improvement(s) of regional importance (“TUMF Improvements”);

WHEREAS, pursuant to the TUMF Program, the AGENCY requires Developer to pay the TUMF which covers the Developer’s fair share of the costs to deliver those TUMF Improvements that help mitigate the Project’s traffic impacts and burdens on the Regional System of Highways and Arterials (also known as the “TUMF Network”), generated by the Project and that are necessary to protect the safety, health and welfare of persons that travel to and from the Project using the TUMF Network;

WHEREAS, the TUMF Improvements have been designated as having Regional or Zonal Significance as further described in the 2016 Nexus Study and the 5 year Transportation Improvement Program as may be amended;

WHEREAS, AGENCY, WRCOG and Developer now desire to enter into this Agreement for the following purposes: (1) to provide for the timely delivery of the TUMF Improvements, (2) to ensure that delivery of the TUMF Improvements is undertaken as if the TUMF Improvements

were constructed under the direction and authority of the AGENCY, (3) to provide a means by which the Developer's costs for project delivery of the TUMF Improvements and related right-of-way is offset against Developer's obligation to pay the applicable TUMF for the Project in accordance with the TUMF Administrative Plan adopted by WRCOG, and (4) to provide a means, subject to the separate approval of WRCOG, for Developer to be reimbursed to the extent the actual and authorized costs for the delivery of the TUMF Improvements exceeds Developer's TUMF obligation.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, Developer and AGENCY hereby agree as follows:

TERMS

1.0 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 Construction of TUMF Improvements. Developer shall construct or have constructed at its own cost, expense, and liability certain street and transportation system improvements generally described as Right-of Way dedication and construction of one (1) northbound TUMF lane along their frontage on New Stetson Road, and as shown more specifically on the plans, profiles, and specifications which have been or will be prepared by or on behalf of Developer and approved by AGENCY, and which are incorporated herein by this reference ("TUMF Improvements"). Construction of the TUMF Improvements shall include any transitions and/or other incidental work deemed necessary for drainage or public safety. Developer shall be responsible for the replacement, relocation, or removal of any component of any existing public or private improvement in conflict with the construction or installation of the TUMF Improvements. Such replacement, relocation, or removal shall be performed to the complete satisfaction of AGENCY and the owner of such improvement. Developer further promises and agrees to provide all equipment, tools, materials, labor, tests, design work, and engineering services necessary to fully and adequately complete the TUMF Improvements.

2.1 Pre-approval of Plans and Specifications. Developer is prohibited from commencing work on any portion of the TUMF Improvements until all plans and specifications for the TUMF Improvements have been submitted to and approved by AGENCY. Approval by AGENCY shall not relieve Developer from ensuring that all TUMF Improvements conform with all other requirements and standards set forth in this Agreement.

2.2 Permits and Notices. Prior to commencing any work, Developer shall, at its sole cost, expense, and liability, obtain all necessary permits and licenses and give all necessary and incidental notices required for the lawful construction of the TUMF Improvements and performance of Developer's obligations under this Agreement. Developer shall conduct the work in full compliance with the regulations, rules, and other requirements contained in any permit or license issued to Developer.

2.3 Public Works Requirements. In order to insure that the TUMF Improvements will be constructed as if they had been constructed under the direction and supervision, or under the

authority of, AGENCY, Developer shall comply with all of the following requirements with respect to the construction of the TUMF Improvements:

(a) Developer shall obtain bids for the construction of the TUMF Improvements, in conformance with the standard procedures and requirements of AGENCY with respect to its public works projects, or in a manner which is approved by the Public Works Department.

(b) The contract or contracts for the construction of the TUMF Improvements shall be awarded to the responsible bidder(s) submitting the lowest responsive bid(s) for the construction of the TUMF Improvements.

(c) Developer shall require, and the specifications and bid and contract documents shall require, all such contractors to pay prevailing wages (in accordance with Articles 1 and 2 of Chapter 1, Part 7, Division 2 of the Labor Code) and to otherwise comply with applicable provisions of the Labor Code, the Government Code and the Public Contract Code relating to public works projects of cities/counties and as required by the procedures and standards of AGENCY with respect to the construction of its public works projects or as otherwise directed by the Public Works Department.

(d) All such contractors shall be required to provide proof of insurance coverage throughout the term of the construction of the TUMF Improvements which they will construct in conformance with AGENCY's standard procedures and requirements.

(e) Developer and all such contractors shall comply with such other requirements relating to the construction of the TUMF Improvements which AGENCY may impose by written notification delivered to Developer and each such contractor at any time, either prior to the receipt of bids by Developer for the construction of the TUMF Improvements, or, to the extent required as a result of changes in applicable laws, during the progress of construction thereof.

Developer shall provide proof to AGENCY that the foregoing requirements have been satisfied as to the TUMF Improvements, at such intervals and in such form as AGENCY may require.

2.4 Quality of Work; Compliance With Laws and Codes. The construction plans and specifications for the TUMF Improvements shall be prepared in accordance with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements. The TUMF Improvements shall be completed in accordance with all approved maps, plans, specifications, standard drawings, and special amendments thereto on file with AGENCY, as well as all applicable federal, state, and local laws, ordinances, regulations, codes, standards, and other requirements applicable at the time work is actually commenced.

2.5 Standard of Performance. Developer and its contractors, if any, shall perform all work required, constructing the TUMF Improvements in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Developer represents and maintains that it or its contractors shall be skilled in the professional calling necessary to perform the work. Developer warrants that all of its employees and contractors shall have sufficient skill and experience to perform the work

assigned to them, and that they shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the work, and that such licenses, permits, qualifications and approvals shall be maintained throughout the term of this Agreement.

2.6 Alterations to TUMF Improvements. All work shall be done and the TUMF Improvements completed as shown on approved plans and specifications, and any subsequent alterations thereto. If during the course of construction and installation it is determined that the public interest requires alterations in the TUMF Improvements, Developer shall undertake such design and construction changes as may be reasonably required by AGENCY. Any and all alterations in the plans and specifications and the TUMF Improvements to be completed may be accomplished without first giving prior notice thereof to Developer's surety for this Agreement.

3.0 Maintenance of TUMF Improvements. AGENCY shall not be responsible or liable for the maintenance or care of the TUMF Improvements until AGENCY approves and accepts them. AGENCY shall exercise no control over the TUMF Improvements until accepted. Any use by any person of the TUMF Improvements, or any portion thereof, shall be at the sole and exclusive risk of Developer at all times prior to AGENCY's acceptance of the TUMF Improvements. Developer shall maintain all of the TUMF Improvements in a state of good repair until they are completed by Developer and approved and accepted by AGENCY, and until the security for the performance of this Agreement is released. It shall be Developer's responsibility to initiate all maintenance work, but if it shall fail to do so, it shall promptly perform such maintenance work when notified to do so by AGENCY. If Developer fails to properly prosecute its maintenance obligation under this section, AGENCY may do all work necessary for such maintenance and the cost thereof shall be the responsibility of Developer and its surety under this Agreement. AGENCY shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the TUMF Improvements or their condition prior to acceptance. In no event shall WRCOG be responsible for the maintenance, operation or care of the TUMF Improvements

4.0 Fees and Charges. Developer shall, at its sole cost, expense, and liability, pay all fees, charges, and taxes arising out of the construction of the TUMF Improvements, including, but not limited to, all plan check, design review, engineering, inspection, sewer treatment connection fees, and other service or impact fees established by AGENCY.

5.0 AGENCY Inspection of TUMF Improvements. Developer shall, at its sole cost, expense, and liability, and at all times during construction of the TUMF Improvements, maintain reasonable and safe facilities and provide safe access for inspection by AGENCY of the TUMF Improvements and areas where construction of the TUMF Improvements is occurring or will occur.

6.0 Liens. Upon the expiration of the time for the recording of claims of liens as prescribed by Sections 8412 and 8414 of the Civil Code with respect to the TUMF Improvements, Developer shall provide to AGENCY such evidence or proof as AGENCY shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment to the construction of the TUMF Improvements, have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation. Rather than await the expiration of the said time for the recording of claims of liens, Developer may elect to provide to AGENCY a title insurance policy or other security acceptable to AGENCY guaranteeing that no such claims of liens will be recorded or become a lien upon any of the Property.

7.0 Acceptance of TUMF Improvements; As-Built or Record Drawings. If the TUMF Improvements are properly completed by Developer and approved by AGENCY, and if they comply with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements, AGENCY shall be authorized to accept the TUMF Improvements. AGENCY may, in its sole and absolute discretion, accept fully completed portions of the TUMF Improvements prior to such time as all of the TUMF Improvements are complete, which shall not release or modify Developer's obligation to complete the remainder of the TUMF Improvements. Upon the total or partial acceptance of the TUMF Improvements by AGENCY, Developer shall file with the Recorder's Office of the County of Riverside a notice of completion for the accepted TUMF Improvements in accordance with California Civil Code sections 8182, 8184, 9204, and 9208 ("Notice of Completion"), at which time the accepted TUMF Improvements shall become the sole and exclusive property of AGENCY without any payment therefore. Notwithstanding the foregoing, AGENCY may not accept any TUMF Improvements unless and until Developer provides one (1) set of "as-built" or record drawings or plans to the AGENCY for all such TUMF Improvements. The drawings shall be certified and shall reflect the condition of the TUMF Improvements as constructed, with all changes incorporated therein.

8.0 Warranty and Guarantee. Developer hereby warrants and guarantees all the TUMF Improvements against any defective work or labor done, or defective materials furnished in the performance of this Agreement, including the maintenance of the TUMF Improvements, for a period of one (1) year following completion of the work and acceptance by AGENCY ("Warranty"). During the Warranty, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the TUMF Improvements, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of AGENCY, and to the approval of AGENCY. All repairs, replacements, or reconstruction during the Warranty shall be at the sole cost, expense, and liability of Developer and its surety. As to any TUMF Improvements which have been repaired, replaced, or reconstructed during the Warranty, Developer and its surety hereby agree to extend the Warranty for an additional one (1) year period following AGENCY's acceptance of the repaired, replaced, or reconstructed TUMF Improvements. Nothing herein shall relieve Developer from any other liability it may have under federal, state, or local law to repair, replace, or reconstruct any TUMF Improvement following expiration of the Warranty or any extension thereof. Developer's warranty obligation under this section shall survive the expiration or termination of this Agreement.

9.0 Administrative Costs. If Developer fails to construct and install all or any part of the TUMF Improvements, or if Developer fails to comply with any other obligation contained herein, Developer and its surety shall be jointly and severally liable to AGENCY for all administrative expenses, fees, and costs, including reasonable attorney's fees and costs, incurred in obtaining compliance with this Agreement or in processing any legal action or for any other remedies permitted by law.

10.0 Default; Notice; Remedies.

10.1 Notice. If Developer neglects, refuses, or fails to fulfill or timely complete any obligation, term, or condition of this Agreement, or if AGENCY determines there is a violation of any federal, state, or local law, ordinance, regulation, code, standard, or other requirement, AGENCY may at any time thereafter declare Developer to be in default or violation of this

Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation (“Notice”). Developer shall substantially commence the work required to remedy the default or violation within five (5) days of the Notice. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, AGENCY may provide the Notice verbally, and Developer shall substantially commence the required work within twenty-four (24) hours thereof. Immediately upon AGENCY’s issuance of the Notice, Developer and its surety shall be liable to AGENCY for all costs of construction and installation of the TUMF Improvements and all other administrative costs or expenses as provided for in this Section 10.0 of this Agreement.

10.2 Failure to Remedy; AGENCY Action. If the work required to remedy the noticed default or violation is not diligently prosecuted to a completion acceptable to AGENCY within the time frame contained in the Notice, AGENCY may complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity as in its sole and absolute discretion it believes is required to remedy the default or violation. All such work or remedial activity shall be at the sole and absolute cost, expense, and liability of Developer and its surety, without the necessity of giving any further notice to Developer or surety. AGENCY’s right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any of the TUMF Improvements at the time of AGENCY’s demand for performance. In the event AGENCY elects to complete or arrange for completion of the remaining work and the TUMF Improvements, AGENCY may require all work by Developer or its surety to cease in order to allow adequate coordination by AGENCY.

10.3 Other Remedies. No action by AGENCY pursuant to this Section 10.0 et seq. of this Agreement shall prohibit AGENCY from exercising any other right or pursuing any other legal or equitable remedy available under this Agreement or any federal, state, or local law. AGENCY may exercise its rights and remedies independently or cumulatively, and AGENCY may pursue inconsistent remedies. AGENCY may institute an action for damages, injunctive relief, or specific performance.

11.0 Security; Surety Bonds. Prior to the commencement of any work on the TUMF Improvements, Developer or its contractor shall provide AGENCY with surety bonds in the amounts and under the terms set forth below (“Security”). The amount of the Security shall be based on the estimated actual costs to construct the TUMF Improvements, as determined by AGENCY after Developer has awarded a contract for construction of the TUMF Improvements to the lowest responsive and responsible bidder in accordance with this Agreement (“Estimated Costs”). If AGENCY determines, in its sole and absolute discretion, that the Estimated Costs have changed, Developer or its contractor shall adjust the Security in the amount requested by AGENCY. Developer’s compliance with this Section 11.0 et seq. of this Agreement shall in no way limit or modify Developer’s indemnification obligation provided in Section 12.0 of this Agreement.

11.1 Performance Bond. To guarantee the faithful performance of the TUMF Improvements and all the provisions of this Agreement, to protect AGENCY if Developer is in default as set forth in Section 10.0 et seq. of this Agreement, and to secure the one-year guarantee and warranty of the TUMF Improvements, Developer or its contractor shall provide AGENCY a faithful performance bond in an amount which sum shall be not less than one hundred percent

(100%) of the Estimated Costs. The AGENCY may, in its sole and absolute discretion, partially release a portion or portions of the security provided under this section as the TUMF Improvements are accepted by AGENCY, provided that Developer is not in default on any provision of this Agreement and the total remaining security is not less than Ten (10%) of the Estimated Costs. All security provided under this section shall be released at the end of the Warranty period, or any extension thereof as provided in Section 11.0 of this Agreement, provided that Developer is not in default on any provision of this Agreement.

11.2 Labor & Material Bond. To secure payment to the contractors, subcontractors, laborers, materialmen, and other persons furnishing labor, materials, or equipment for performance of the TUMF Improvements and this Agreement, Developer or its contractor shall provide AGENCY a labor and materials bond in an amount which sum shall not be less than one hundred percent (100%) of the Estimated Costs. The security provided under this section may be released by written authorization of AGENCY after six (6) months from the date AGENCY accepts the TUMF Improvements. The amount of such security shall be reduced by the total of all stop notice or mechanic's lien claims of which AGENCY is aware, plus an amount equal to twenty percent (20%) of such claims for reimbursement of AGENCY's anticipated administrative and legal expenses arising out of such claims.

11.3 Additional Requirements. The surety for any surety bonds provided as Security shall have a current A.M. Best rating of at least "A" and FSC-VIII, shall be licensed to do business in California, and shall be satisfactory to AGENCY. As part of the obligation secured by the Security and in addition to the face amount of the Security, Developer, its contractor or the surety shall secure the costs and reasonable expenses and fees, including reasonable attorney's fees and costs, incurred by AGENCY in enforcing the obligations of this Agreement. Developer, its contractor and the surety shall stipulate and agree that no change, extension of time, alteration, or addition to the terms of this Agreement, the TUMF Improvements, or the plans and specifications for the TUMF Improvements shall in any way affect its obligation on the Security.

11.4 Evidence and Incorporation of Security. Evidence of the Security shall be provided on the forms set forth in Exhibit "B", unless other forms are deemed acceptable by the AGENCY, and when such forms are completed to the satisfaction of AGENCY, the forms and evidence of the Security shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

12.0 Indemnification. Developer shall defend, indemnify, and hold harmless AGENCY, the Western Riverside Council of Governments (WRCOG), their elected officials, board members, employees, and agents from any and all actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state, or local governmental agency, arising out of or incident to any acts, omissions, negligence, or willful misconduct of Developer, its employees, contractors, or agents in connection with the performance of this Agreement, or arising out of or in any way related to or caused by the TUMF Improvements or their condition prior to AGENCY's approval and acceptance of the TUMF Improvements ("Claims"). This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorney fees, and related costs or expenses, and the reimbursement of AGENCY, WRCOG, their elected officials, board members, employees, and/or agents for all legal expenses and costs incurred by each of them. This indemnification excludes only such portion of any Claim

which is caused solely and exclusively by the negligence or willful misconduct of AGENCY as determined by a court or administrative body of competent jurisdiction. Developer's obligation to indemnify shall survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by AGENCY, WRCOG, their elected officials, board members, employees, or agents.

13.0 Insurance.

13.1 Types; Amounts. Developer shall procure and maintain, and shall require its contractors to procure and maintain, during performance of this Agreement, insurance of the types and in the amounts described below ("Required Insurance"). If any of the Required Insurance contains a general aggregate limit, such insurance shall apply separately to this Agreement or be no less than two times the specified occurrence limit.

13.1.1 General Liability. Occurrence form general liability insurance at least as broad as Insurance Services Office Form CG 00 01, or equivalent form, with an occurrence limit of Two Million Dollars (\$2,000,000) and aggregate limit of Four Million Dollars (\$4,000,000) for bodily injury, personal injury, and property damage.

13.1.2 Business Automobile Liability. Business automobile liability insurance at least as broad as Insurance Services Office Form CA 00 01 (coverage symbol 1 – any auto), or equivalent form, with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance shall include coverage for the ownership, operation, maintenance, use, loading, or unloading of any auto owned, leased, hired, or borrowed by the insured or for which the insured is responsible.

13.1.3 Workers' Compensation. Workers' compensation insurance with limits as required by the Labor Code of the State of California and employers' liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence, at all times during which insured retains employees.

13.1.4 Professional Liability. For any consultant or other professional who will engineer or design the TUMF Improvements, liability insurance for errors and omissions with limits not less than Two Million Dollars (\$2,000,000) per occurrence, shall be procured and maintained for a period of five (5) years following completion of the TUMF Improvements. Such insurance shall be endorsed to include contractual liability.

13.2 Deductibles. Any deductibles or self-insured retentions must be declared to and approved by AGENCY. At the option of AGENCY, either: (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects AGENCY, its elected officials, officers, employees, agents, and volunteers; or (b) Developer and its contractors shall provide a financial guarantee satisfactory to AGENCY guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

13.3 Additional Insured; Separation of Insureds. The Required Insurance, except for the professional liability and workers' compensation insurance, shall name AGENCY, WRCOG, their elected officials, board members, officers, employees, and agents as additional insureds with respect to work performed by or on behalf of Developer or its contractors, including any materials,

parts, or equipment furnished in connection therewith. For Required Insurance provided by Developer's contractors, WRCOG shall be added as an additional insured using ISO CG 2038 or an exact equivalent. The Required Insurance shall contain standard separation of insureds provisions, and shall contain no special limitations on the scope of its protection to AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents.

13.4 Primary Insurance; Waiver of Subrogation. The Required Insurance, except for the professional liability and workers' compensation insurance shall be primary with respect to any insurance or self-insurance programs covering AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents. The Required Insurance, except for the professional liability insurance, shall provide that the insurance company waives all right of recovery by way of subrogation against AGENCY and WRCOG in connection with any damage or harm covered by such policy.

13.5 Certificates; Verification. Developer and its contractors shall furnish AGENCY with original certificates of insurance and endorsements effecting coverage for the Required Insurance. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by AGENCY before work pursuant to this Agreement can begin. AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time.

13.6 Term; Cancellation Notice. Developer and its contractors shall maintain the Required Insurance for the term of this Agreement and shall replace any certificate, policy, or endorsement which will expire prior to that date. All policies shall be endorsed to provide that the Required Insurance shall not be suspended, voided, reduced, canceled, or allowed to expire except on thirty (30) days' prior written notice to AGENCY. If such notice of cancellation endorsements are unavailable, Developer shall provide such thirty (30) days' written notice of cancellation.

13.7 Insurer Rating. Unless approved in writing by AGENCY, all Required Insurance shall be placed with insurers licensed to do business in the State of California and with a current A.M. Best rating of at least "A" and FSC-VIII.

14.0 TUMF Credit.

14.1 Developer's TUMF Obligation. Developer hereby agrees and accepts that as of the date of this Agreement, the amount Developer is obligated to pay to AGENCY pursuant to Ordinance No. 1938 as part of the TUMF Program is ONE MILLION FIVE HUNDRED FIFTEEN THOUSAND SIX HUNDRED DOLLARS (\$1,515,600) ("TUMF Obligation"). This TUMF Obligation shall be initially determined under the TUMF fee schedule in effect for the AGENCY at the time the Developer submits a building permit application for the TUMF Improvement. Notwithstanding, this TUMF Obligation does not have to be paid until the Certificate of Occupancy is obtained.

14.2 Fee Adjustments. Notwithstanding the foregoing, Developer agrees that this Agreement shall not estop AGENCY from adjusting the TUMF in accordance with the provisions of Ordinance No. 1938.

14.3 Credit Offset Against TUMF Obligation. Pursuant to Ordinance No. 1938 and in consideration for Developer's obligation under this Agreement for the delivery of TUMF Improvements, credit shall be applied by AGENCY to offset the TUMF Obligation ("Credit") subject to adjustment and reconciliation under Section 14.5 of this agreement. Developer hereby agrees that the amount of the Credit shall be applied after Developer has initiated the process of project delivery of TUMF Improvements to the lowest responsible bidder in accordance with this Agreement. Developer further agrees that the dollar amount of the Credit shall be equal to the lesser of: (A) the bid amount set forth in the contract awarded to the lowest responsible bidder, or (B) the unit cost assumptions for the TUMF Improvement in effect at the time of the contract award, as such assumptions are identified and determined in the most recent TUMF Nexus Study and the TUMF Administrative Plan adopted by WRCOG ("Unit Cost Assumptions").

The bid amount and the Unit Cost Assumptions shall hereafter be collectively referred to as "Estimated Credit". At no time will the Credit exceed the Developer's TUMF Obligation. If the dollar amount of the Estimated Credit exceeds the dollar amount of the TUMF Obligation, Developer will be deemed to have completely satisfied its TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. If the dollar amount of the Estimated Credit is less than the dollar amount of the TUMF Obligation, the Developer agrees the Credit shall be applied to offset the TUMF Obligation as follows:

(i) For residential units in the Project, the Credit shall be applied to all residential units to offset and/or satisfy the TUMF Obligation. The residential units for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to each unit, shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

(ii) For commercial and industrial structures in the Project, the Credit shall be applied to all commercial and industrial development to offset and/or satisfy the TUMF Obligation. The commercial or industrial structure(s) for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to such structure(s), shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section, including how the Credit is applied to offset the TUMF Obligation as described above.

14.4 Verified Cost of the TUMF Improvements. Upon recordation of the Notice of Completion for the TUMF Improvements and acceptance of the TUMF Improvements by AGENCY, Developer shall submit to the AGENCY Public Works Director the information set forth in the attached Exhibit "C". The AGENCY Public Works Director, or his or her designee, shall use the information provided by Developer to calculate the total actual costs incurred by Developer in delivering the TUMF Improvements covered under this Agreement ("Verified Costs"). The AGENCY Public Works Director will use his or her best efforts to determine the amount of the Verified Costs and provide Developer written notice thereof within thirty (30) calendar days of receipt of all the required information from Developer. The

Agency may request that WRCOG calculate the amount of the Verified Cost. In this case, the AGENCY shall provide WRCOG written notice and all necessary documentation and allow WRCOG fifteen (15) days to determine costs. Agency will notify the Developer within the previous thirty (30) day deadline

14.5 Reconciliation; Final Credit Offset Against TUMF Obligation. The Developer is aware of and accepts the fact that Credits are speculative and conceptual in nature. The actual amount of Credit that shall be applied by AGENCY to offset the TUMF Obligation shall be equal to the lesser of: (A) the Verified Costs or (B) Unit Cost Assumptions for the TUMF Improvements as determined in accordance with Section 14.3 of this Agreement (“Actual Credit”). No Actual Credit will be awarded until the Verified Costs are determined through the reconciliation process. Please be advised that while a Developer may use an engineer’s estimates in order to estimate Credits for project planning purposes, the Actual Credit awarded will only be determined by the reconciliation process.

(a) TUMF Balance, Underpayment. If the dollar amount of the Actual Credit is less than the dollar amount of the TUMF Obligation, the AGENCY Public Works Director shall provide written notice to Developer of the amount of the difference owed (“TUMF Balance”) and Developer shall pay the TUMF Balance in accordance with Hemet Municipal Code (“HMC”) Sections 58-75 and 58-76 to fully satisfy the TUMF Obligation (see Exhibit “F” - Example “A”).

(b) TUMF Reimbursement. If the dollar amount of the Actual Credit exceeds the TUMF Obligation, Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section (see Exhibit “F” - Example “B”).

(c) TUMF Overpayment. If the dollar amount of the Actual Credit exceeds the Estimated Credit, but is less than the TUMF Obligation, but the Actual Credit plus additional monies collected by AGENCY from Developer for the TUMF Obligation exceed the TUMF Obligation (“TUMF Overpayment”), Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may be entitled to a refund. The AGENCY’s Public Works Director shall provide written notice to WRCOG and the Developer of the amount of the TUMF Overpayment, and AGENCY shall direct WRCOG to refund the Developer in accordance with HMC Section 58-74 (see Exhibit “F” - Example C)

14.6 Reimbursement Agreement. If authorized under either Section 14.3 or Section 14.5 Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the Actual Credit exceeds the TUMF Obligation, as determined pursuant to Section 14.3 of this Agreement, Ordinance No.1938, and the TUMF Administrative Plan adopted by WRCOG (“Reimbursement Agreement”). If AGENCY and WRCOG agree to a Reimbursement Agreement with Developer, the Reimbursement Agreement shall be executed on the form set forth in Exhibit “D,” and shall contain the terms and conditions set forth therein. The Parties agree that the Reimbursement Agreement shall be subject to all terms and conditions of this Agreement, and that

upon execution, an executed copy of the Reimbursement Agreement shall be attached hereto and shall be incorporated herein as a material part of this Agreement as though fully set forth herein.

15.0 Miscellaneous.

15.1 Assignment. Developer may, as set forth herein, assign all or a portion of its rights pursuant to this Agreement to a purchaser of a portion or portions of the Property ("Assignment"). Developer and such purchaser and assignee ("Assignee") shall provide to AGENCY such reasonable proof as it may require that Assignee is the purchaser of such portions of the Property. Any assignment pursuant to this Section shall not be effective unless and until Developer and Assignee have executed an assignment agreement with AGENCY in a form reasonably acceptable to AGENCY, whereby Developer and Assignee agree, except as may be otherwise specifically provided therein, to the following: (1) that Assignee shall receive all or a portion of Developer's rights pursuant to this Agreement, including such credit as is determined to be applicable to the portion of the Property purchased by Assignee pursuant to Section 14.0, et seq. of this Agreement, and (2) that Assignee shall be bound by all applicable provisions of this Agreement.

15.2 Relationship Between the Parties. The Parties hereby mutually agree that this Agreement shall not operate to create the relationship of partnership, joint venture, or agency between or among AGENCY, WRCOG and Developer. Developer's contractors are exclusively and solely under the control and dominion of Developer. Nothing herein shall be deemed to make Developer or its contractors an agent or contractor of AGENCY. This Agreement shall be interpreted and administered in a manner consistent with the TUMF Administrative Plan in effect at the time this Agreement is executed.

15.3 Warranty as to Property Ownership; Authority to Enter Agreement. Developer hereby warrants that it owns fee title to the Property and that it has the legal capacity to enter into this Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority make this Agreement and bind each respective Party.

15.4 Prohibited Interests. Developer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Developer, to solicit or secure this Agreement. Developer also warrants that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Developer, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon the making of this Agreement. For breach of this warranty, AGENCY shall have the right to rescind this Agreement without liability.

15.5 Notices. All notices, demands, invoices, and written communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To AGENCY: City of Hemet
Attn: City Manager
445 E. Florida Avenue
Hemet, CA 92543

To WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attention: Executive Director
Telephone: (951) 405-6700
Fax No. (951) 223-9720

To Developer: Pulte Home Company
Attn: Darren Warren
27401 Los Altos, Suite 400
Mission Viejo, CA 92691
Telephone: (949) 330-8544
Fax No. (949) 330-8601

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent; by messenger, as of the date delivered; and by U.S. Mail first class postage prepaid, as of 72 hours after deposit in the U.S. Mail.

15.6 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

15.7 Construction; References; Captions. It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days, or period for performance shall be deemed calendar days and not work days. All references to Developer include all personnel, employees, agents, and contractors of Developer, except as otherwise specified in this Agreement. All references to AGENCY include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

15.8 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

15.9 Termination. This Agreement shall terminate 10 years after the Effective Date, unless extended in writing by the Parties. In addition, this Agreement shall terminate 5 years after the Effective Date in the event that the TUMF Improvements as specified in the Credit Agreement is not commenced within 5 years of the Effective Date.

15.9.1 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual right by custom, estoppel, or otherwise.

15.9.2 Binding Effect. Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

15.9.3 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

15.9.4 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

15.9.5 Consent to Jurisdiction and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Riverside, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, Developer expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

15.9.6 Time is of the Essence. Time is of the essence in this Agreement, and the Parties agree to execute all documents and proceed with due diligence to complete all covenants and conditions.

15.9.7 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

15.9.8 Entire Agreement. This Agreement contains the entire agreement between AGENCY and Developer and supersedes any prior oral or written statements or agreements between AGENCY and Developer.

[SIGNATURES OF PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:
PULTE HOME COMPANY, LLC,
a Michigan limited company

By: _____

Its: _____

ATTEST:

By: _____
Its: _____

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENT:

By: _____
Its: Executive Director-_____

ATTEST:

By: _____
Its: _____

AGENCY:
CITY OF HEMET

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

EXHIBIT “A”

LEGAL DESCRIPTION OF PROPERTY

[ATTACH BEHIND THIS PAGE]

EXHIBIT A-1

EXHIBIT A
LEGAL DESCRIPTION

Real property in the City of Hemet, County of Riverside, State of California, described as follows:

PARCELS 4, 6, 7, 8, 10 AND 13 OF PARCEL MAP NO. 19768, IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 123, PAGES 44 THROUGH 49, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 460-010-008 AND 460-010-009 AND 460-010-010 AND 460-010-011 AND 460-020-005 AND 460-020-006

EXHIBIT A-2

EXHIBIT “B”
FORMS FOR SECURITY
[ATTACHED BEHIND THIS PAGE]

BOND NO. _____
INITIAL PREMIUM: _____
SUBJECT TO RENEWAL

PERFORMANCE BOND

WHEREAS, the City of Hemet (“AGENCY”) has executed an agreement with Pulte Home Company, a Michigan limited liability company, authorized to do business in California as a Corporation Service Company, with its principal place of business at 27401 Los Altos, Suite 400, Mission Viejo, CA 92691 (hereinafter “Developer”), requiring Developer to perform certain work consisting of but not limited to, furnishing all labor, materials, tools, equipment, services, and incidentals for the construction of street and transportation system improvements (hereinafter the “Work”);

WHEREAS, the Work to be performed by Developer is more particularly set forth in that certain TUMF Improvement and Credit/Reimbursement Agreement dated _____, (hereinafter the “Agreement”); and

WHEREAS, the Agreement is hereby referred to and incorporated herein by this reference; and

WHEREAS, Developer or its contractor is required by the Agreement to provide a good and sufficient bond for performance of the Agreement, and to guarantee and warranty the Work constructed thereunder.

NOW, THEREFORE, we the undersigned, _____, as Principal and _____, a corporation organized and existing under the laws of the State of _____ and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the AGENCY in the sum of _____ (\$_____), said sum being not less than one hundred percent (100%) of the total cost of the Work as set forth in the Agreement, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such, that if Developer and its contractors, or their heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, agreements, guarantees, and warranties in the Agreement and any alteration thereof made as therein provided, to be kept and performed at the time and in the manner therein specified and in all respects according to their intent and meaning, and to indemnify and save harmless AGENCY, its officers, employees, and agents, as stipulated in the Agreement, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney’s fees, incurred by AGENCY in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the said Agreement or to the Work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the Work.

IN WITNESS WHEREOF, we have hereto set our hands and seals this ____ day on _____, 20__.

Principal

By: _____
President

Surety

By: _____
Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE §1189**

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

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, before me,

Date

Here Insert Name and Title of the Officer

personally appeared _____,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title of Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Corporate Officer – Title(s): _____

☐ Partner - ☐ Limited ☐ General

☐ Partner - ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Trustee ☐ Guardian or Conservator

☐Other: _____

Signer is Representing: _____

—

—

☐Other: _____

Signer is Representing: _____

—

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CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the _____ Secretary of the corporation named as principal in the attached bond, that _____ who signed the said bond on behalf of the principal was then _____ of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed and attested for and in behalf of said corporation by authority of its governing Board.

(Corporate Seal)

Signature

Date

NOTE: A copy of the power of attorney to local representatives of the bonding company may be attached hereto.

BOND NO. _____
INITIAL PREMIUM: _____
SUBJECT TO RENEWAL

LABOR & MATERIAL BOND

WHEREAS, the City of Hemet ("AGENCY") has executed an agreement with Pulte Home Company, a Michigan limited liability company, authorized to do business in California as a Corporation Service Company, with its principal place of business at 27401 Los Altos, Suite 400, Mission Viejo, CA 92691 (hereinafter "Developer"), requiring Developer to perform certain work consisting of but not limited to, furnishing all labor, materials, tools, equipment, services, and incidentals for the construction of street and transportation system improvements (hereinafter "Work");

WHEREAS, the Work to be performed by Developer is more particularly set forth in that certain Improvement and Credit / Reimbursement Agreement dated _____, (hereinafter the "Agreement"); and

WHEREAS, Developer or its contractor is required to furnish a bond in connection with the Agreement providing that if Developer or any of his or its contractors shall fail to pay for any materials, provisions, or other supplies, or terms used in, upon, for or about the performance of the Work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the provisions of 3248 of the California Civil Code, with respect to such work or labor, that the Surety on this bond will pay the same together with a reasonable attorney's fee in case suit is brought on the bond.

NOW, THEREFORE, we the undersigned, _____, as Principal and _____, a corporation organized and existing under the laws of the State of _____ and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the AGENCY and to any and all material men, persons, companies or corporations furnishing materials, provisions, and other supplies used in, upon, for or about the performance of the said Work, and all persons, companies or corporations renting or hiring teams, or implements or machinery, for or contributing to said Work to be done, and all persons performing work or labor upon the same and all persons supplying both work and materials as aforesaid, the sum of _____ (\$_____), said sum being not less than 100% of the total amount payable by Developer under the terms of the Agreement, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Developer or its contractors, or their heirs, executors, administrators, successors, or assigns, shall fail to pay for any materials, provisions, or other supplies or machinery used in, upon, for or about the performance of the Work contracted to be done, or for work or labor thereon of any kind, or fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or for any amounts required

to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the contractor and his subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, and all other applicable laws of the State of California and rules and regulations of its agencies, then said Surety will pay the same in or to an amount not exceeding the sum specified herein.

In case legal action is required to enforce the provisions of this bond, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to court costs, necessary disbursements and other consequential damages. In addition to the provisions hereinabove, it is agreed that this bond will inure to the benefit of any and all persons, companies and corporations entitled to make claims under Sections 8024, 8400, 8402, 8404, 8430, 9100 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the Agreement or to the Work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the Work.

IN WITNESS WHEREOF, we have hereto set our hands and seals this ____ day on _____, 20__.

Principal

By: _____
President

Surety

By: _____
Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE §1189**

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

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, before me,

Date

Here Insert Name and Title of the Officer

personally appeared _____,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title of Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner - ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner - ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer is Representing: _____

—

—

☐ Other: _____

Signer is Representing: _____

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—

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the _____ Secretary of the corporation named as principal in the attached bond, that _____ who signed the said bond on behalf of the principal was then _____ of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed and attested for and in behalf of said corporation by authority of its governing Board.

(Corporate Seal)

Signature

Date

NOTE: A copy of the power of attorney to local representatives of the bonding company may be attached hereto.

EXHIBIT “C”

DOCUMENTATION TO BE PROVIDED TO AGENCY BY DEVELOPER FOR DETERMINATION OF VERIFIED COSTS

To assist AGENCY in determining the Verified Costs for a completed TUMF Improvement, Developer shall provide the following documents to AGENCY:

1. Plans, specifications and Developer’s civil engineer’s cost estimate;
2. If Developer is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvement. Only actual, documented and reasonable costs directly related to the TUMF Improvement will be considered. Costs should be documented as specified below.
3. Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.
4. List of bidders from whom bids were requested;
5. Construction schedules and progress reports;
6. Contracts, insurance certificates and change orders with each contractor, consultant, service provider or vendor;
7. Invoices received from all contractors, consultants, service providers and vendors;
8. Canceled checks for payments made to contractors, consultants, service providers and vendors (copy both front and back of canceled checks);
9. Spreadsheet showing total costs incurred in and related to the construction of each TUMF Improvement and the check number for each item of cost and invoice;
10. Final lien releases from each contractor and vendor; and
11. Such further documentation as may be reasonably required by AGENCY to evidence the completion of construction and the payment of each item of cost and invoice.

EXHIBIT “D”

REIMBURSEMENT AGREEMENT TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is entered into this ____ day of _____, 20____, by and between the City of Hemet, a California municipal corporation (“AGENCY”), the Western Riverside Council of Governments (“WRCOG”), a Joint Powers Agency and Pulte Home Company, a Michigan limited liability company, authorized to do business in California as a Corporation Service Company, with its principal place of business at 27401 Los Altos, Suite 400, Mission Viejo, CA 92691, (“Developer”) AGENCY and Developer are sometimes hereinafter referred to individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, AGENCY, WRCOG and Developer are parties to an agreement dated _____, 20____, entitled “Improvement and Credit Agreement - Transportation Uniform Mitigation Fee Program” (hereinafter “Credit Agreement”);

WHEREAS, Sections 14.1 through 14.3 of the Credit Agreement provide that Developer is obligated to pay AGENCY the TUMF Obligation, as defined therein, but shall receive credit to offset the TUMF Obligation if Developer constructs and AGENCY accepts the TUMF Improvements in accordance with the Credit Agreement;

WHEREAS, Section 14.5 of the Credit Agreement provides that if the dollar amount of the credit to which Developer is entitled under the Credit Agreement exceeds the dollar amount of the TUMF Obligation, Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the credit exceeds the TUMF Obligation;

WHEREAS, Section 14.5 additionally provides that a reimbursement agreement executed pursuant to the Credit Agreement (i) shall be executed on the form attached to the Credit Agreement, (ii) shall contain the terms and conditions set forth therein, (iii) shall be subject to all terms and conditions of the Credit Agreement, and (iv) shall be attached upon execution to the Credit Agreement and incorporated therein as a material part of the Credit Agreement as though fully set forth therein; and

WHEREAS, AGENCY and WRCOG have consented to execute a reimbursement agreement with Developer pursuant to the Credit Agreement, (insert appropriate reference for city or county), and the TUMF Administrative Plan adopted by WRCOG.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

TERMS

1.0 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 Effectiveness. This Agreement shall not be effective unless and until the Credit Agreement is effective and in full force in accordance with its terms.

3.0 Definitions. Terms not otherwise expressly defined in this Agreement, shall have the meaning and intent set forth in the Credit Agreement.

4.0 Amount of Reimbursement. Subject to the terms, conditions, and limitations set forth in this Agreement, the Parties hereby agree that Developer is entitled to receive the dollar amount by which the Actual Credit exceeds the dollar amount of the TUMF Obligation as determined pursuant to the Credit Agreement, (insert appropriate reference for city or county), and the TUMF Administrative Plan adopted by WRCOG (“Reimbursement”). The Reimbursement shall be subject to verification by WRCOG. AGENCY and Developer shall provide any and all documentation reasonably necessary for WRCOG to verify the amount of the Reimbursement. The Reimbursement shall be in an amount not exceeding [INSERT DOLLAR AMOUNT] (“Reimbursement Amount”). WRCOG shall, upon receipt and approval of information requested by WRCOG, shall be responsible for transmitting the Reimbursement Amount to the Developer. In no event shall the dollar amount of the Reimbursement exceed the difference between the dollar amount of all credit applied to offset the TUMF Obligation pursuant to Section 14.3, 14.4, and 14.5 of the Credit Agreement, and one hundred (100%) of the approved unit awarded, as such assumptions are identified and determined in the Nexus Study and the TUMF Administrative Plan adopted by WRCOG.

5.0 Payment of Reimbursement; Funding Contingency. The payment of the Reimbursement Amount shall be subject to the following conditions:

5.1 Developer shall have no right to receive payment of the Reimbursement unless and until (i) the TUMF Improvements are completed and accepted by AGENCY in accordance with the Credit Agreement, (ii) the TUMF Improvements are scheduled for funding pursuant to the five-year Transportation Improvement Program adopted annually by WRCOG, (iii) WRCOG has funds available and appropriated for payment of the Reimbursement amount.

5.2 Developer shall not be entitled to any interest or other cost adjustment for any delay between the time when the dollar amount of the Reimbursement is determined and the time when payment of the Reimbursement is made to Developer by WRCOG through AGENCY.

6.0 Affirmation of Credit Agreement. AGENCY and Developer represent and warrant to each other that there have been no written or oral modifications or amendments of the Credit Agreement, except by this Agreement. AGENCY and Developer ratify and reaffirm each and every one of their respective rights and obligations arising under the Credit Agreement. AGENCY and Developer represent and warrant that the Credit Agreement is currently an effective, valid, and binding obligation.

7.0 Incorporation Into Credit Agreement. Upon execution of this Agreement, an executed original of this Agreement shall be attached as Exhibit “D” to the Credit Agreement and shall be incorporated therein as a material part of the Credit Agreement as though fully set forth therein.

8.0 Terms of Credit Agreement Controlling. Each Party hereby affirms that all provisions of the Credit Agreement are in full force and effect and shall govern the actions of the Parties under this Agreement as though fully set forth herein and made specifically applicable hereto, including without limitation, the following sections of the Credit Agreement: Sections 10.0 through 10.3, Section 12.0, Sections 13.0 through 13.7, Sections 14.0 through 14.6, and Sections 15.0 through 15.17.

[SIGNATURES OF PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

("Developer")

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

City of Hemet ("AGENCY")

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

EXHIBIT “E”

TUMF CREDIT / REIMBURSEMENT ELIGIBILITY PROCESS

1. Prior to the construction of any TUMF Improvement, Developer shall follow the steps listed below:

- (a) Prepare a separate bid package for the TUMF Improvements.
- (b) The plans, cost estimate, specifications and contract document shall require all contractors to pay prevailing wages and to comply with applicable provisions of the Labor Code, Government Code, and Public Contract Code relating to Public Works Projects.
- (c) Bids shall be obtained and processed in accordance with the formal public works bidding requirements of the AGENCY.
- (d) The contract(s) for the construction of TUMF Improvements shall be awarded to the lowest responsible bidder(s) for the construction of such facilities in accordance with the AGENCY’s requirements and guidelines.
- (e) Contractor(s) shall be required to provide proof of insurance coverage throughout the duration of the construction.

2. Prior to the determination and application of any Credit pursuant to a TUMF Improvement and Credit Agreement executed between AGENCY and Developer ("Agreement"), Developer shall provide the AGENCY and WRCOG with the following:

- (a) Copies of all information listed under Item 1 above.
- (b) Surety Bond, Letter of Credit, or other form of security permitted under the Agreement and acceptable to the AGENCY and WRCOG, guaranteeing the construction of all applicable TUMF Improvements.

3. Prior to the AGENCY’s acceptance of any completed TUMF Improvement, and in order to initiate the construction cost verification process, the Developer shall comply with the requirements as set forth in Sections 7, 14.2 and 14.3 of the Agreement, and the following conditions shall also be satisfied:

- (a) Developer shall have completed the construction of all TUMF Improvements in accordance with the approved Plans and Specifications.
- (b) Developer shall have satisfied the AGENCY’s inspection punch list.
- (c) After final inspection and approval of the completed TUMF Improvements, the AGENCY shall have provided the Developer a final inspection release letter.

(d) AGENCY shall have filed a Notice of Completion with respect to the TUMF Improvements pursuant to Section 3093 of the Civil Code with the County Recorder's Office, and provided a copy of filed Notice of Completion to WRCOG.

(e) Developer shall have provided AGENCY a copy of the As-Built plans for the TUMF Improvements.

(f) Developer shall have provided AGENCY copies of all permits or agreements that may have been required by various resource/regulatory agencies for construction, operation and maintenance of any TUMF Improvements.

(g) Developer shall have submitted a documentation package to the AGENCY to determine the final cost of the TUMF Improvements, which shall include at a minimum, the following documents related to the TUMF Improvements:

(i) Plans, specifications, and Developer's Civil Engineer's cost estimates; or Engineer's Report showing the cost estimates.

(ii) If DEVELOPER is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvements. Only actual, documented and reasonable costs directly related to the TUMF Improvements will be considered. Costs should be documented as specified below.

(iii) Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.

(iv) Contracts/agreements, insurance certificates and change orders with each vendor or contractor.

(v) Invoices from all contractors, consultants, service providers and vendors.

(vi) Copies of cancelled checks, front and back, for payments made to contractors, consultants, service providers and vendors.

(vii) Final lien releases from each contractor and vendor (unconditional waiver and release).

(viii) Certified contract workers payroll for AGENCY verification of compliance with prevailing wages.

(ix) A total cost summary, in spreadsheet format (MS Excel is preferred) and on disk, showing a breakdown of the total costs incurred. The summary should include for each item claimed the check number, cost, invoice numbers, and name of payee.

EXHIBIT "F"

RECONCILIATION EXAMPLES

All examples are based on a single family residential development project of 200 dwelling units:
200 SF dwelling units @ \$10,104 / dwelling unit = \$2,020,800 in fees (TUMF Obligation)

Example A: "TUMF BALANCE"

CREDIT

TUMF Obligation:	\$2,020,800
Estimated Credit: Bid (\$1,900,000) or unit Cost Assumption (\$2,200,000) whichever is less <u>\$1,900,000</u>	
Potential Reimbursement:	\$179,200

RECONCILIATION

TUMF Obligation:	\$2,020,800
Actual Credit:	<u>\$1,900,000</u>
TUMF Balance (Payment to TUMF):	\$120,800

Example B: "REIMBURSEMENT"

CREDIT

TUMF Obligation:	\$2,020,800
Estimated Credit: Bid (\$2,100,000) or unit Cost Assumption (\$2,200,000) whichever is less <u>\$2,100,000</u>	
Potential Reimbursement:	\$179,200

RECONCILIATION

TUMF Obligation:	\$2,020,800
Actual Credit:	<u>\$2,200,000</u>
Reimbursement Agreement with Developer (Based on Priority Ranking):	(\$179,200)

Example C: "TUMF OVERPAYMENT"

CREDIT

TUMF Obligation:	\$2,020,800
Estimated Credit: Bid (\$1,900,000) or unit Cost Assumption (\$2,200,000) whichever is less <u>\$1,700,000</u>	
Potential Reimbursement:	\$120,800
Prorated Fee: \$320,800 / 200 du =	\$604 / du

RECONCILIATION

TUMF Obligation:	\$1,900,000
TUMF payments from Developer (\$604 per unit x 200 units)	<u>\$120,800</u>
TUMF Balance (Payment to TUMF):	\$2,020,800
TUMF Obligation:	\$2,020,800
Actual Credit plus TUMF Payment	<u>\$1,900,000</u>
TUMF Overpayment (Refund to Developer):	\$120,800

Exhibit G
Pulte Homes - Morgan Crossing (TR 35392)
Eligible TUMF Credit Amount

ESTIMATED TUMF OBLIGATION CALCULATION

Paid TUMF	Fee per Unit	Units	Amount
Single Family Residential	\$0	150	\$ -
	Paid Subtotal	150	\$ -

Unpaid TUMF - Estimated Remaining Units	Fee per Unit	Units	Amount
Residential Units	\$10,104	150	\$ 1,515,600
	Estimated Subtotal	150	\$ 1,515,600
	Obligation Total	150	\$ 1,515,600

TUMF UNIT COST ASSUMPTION CALCULATION

TUMF Network Road Segment applicable to Proposed Improvements		Cost Item	Amount
New Stetson Road - Warren to Cawston			
Network Distance:	1.00	Road Const	\$ 1,563,606
Existing Lanes:	2	ROW/Utilities	\$ 660,602
Additional Lanes:	2	Planning (10%)	\$ 156,142
		Engineering (25%)	\$ 390,902
		Contingency (10%)	\$ 222,748
		Network Road Segment Cost Est	\$ 2,994,000
		Network Unit Cost per Lane mile	\$ 1,498,649
		Network Unit Cost per Lane foot	\$ 284
Road Improvement Cost Estimate (based on Network Unit Cost per Lane foot)			
Lanes	Construction Limits (Sta. 17+16.15 to Sta. 52+59.91)	Lane Linear Feet	Amount
1	3,544 (Assumes 1 Add'l Lane of Construction)	3,544	\$ 1,005,843
	TUMF Road Total	3,544	\$ 1,005,843

TOTAL TUMF UNIT COST ASSUMPTION FOR ELIGIBLE IMPROVEMENTS	\$ 1,005,843
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Attachment

TUMF Improvement and
Credit Liability Agreement –
WRCOG, Pulte Homes LLC.,
and City of Lake Elsinore –
Nichols Road

IMPROVEMENT AND CREDIT / REIMBURSEMENT AGREEMENT TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM

This **IMPROVEMENT AND CREDIT AGREEMENT** (“Agreement”) is entered into this ____ day of _____, 20____, (the “Effective Date”) by and between the City of Lake Elsinore, (“AGENCY”), the Western Riverside Council of Governments, a joint powers Agency, (“WRCOG”) and Pulte Home Company, LLC, a Michigan limited liability company, with its principal place of business at 27401 Los Altos, Ste. 400, Mission Viejo, California 92691 (“Developer”). AGENCY and Developer are sometimes hereinafter referred to individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, Developer owns 134.06 acres of real property located within the AGENCY of the City of Lake Elsinore, California, which is more specifically described in the legal description set forth in Exhibit “A”, attached hereto and incorporated herein by this reference (“Property”);

WHEREAS, Developer has requested from AGENCY-certain entitlements and/or permits for the construction of improvements on the Property, which are more particularly described as 4,130 linear feet of improvements (add two lanes, curb and gutter, and traffic signal improvements) on Nichols Road from Lake Street to Terra Cotta Road and 3,300 linear feet of improvements (add two lanes, curb and gutter, and traffic signal improvements) on Lake Street from Alberhill Ranch Road to a portion extending beyond Nichols Road. (“Project”);

WHEREAS, the AGENCY is a member agency of WRCOG, a joint powers agency comprised of the County of Riverside and 18 cities located in Western Riverside County. WRCOG is the administrator for the Transportation Uniform Mitigation Fee (“TUMF”) Program;

WHEREAS, as part of the TUMF Program, the AGENCY has adopted “Transportation Uniform Mitigation Fee Nexus Study: 2016 Update” (“2016 Nexus Study”)

WHEREAS, as a condition to AGENCY’s approval of the Project, AGENCY has required Developer to construct certain street and transportation system improvement(s) of regional importance (“TUMF Improvements”);

WHEREAS, pursuant to the TUMF Program, the AGENCY requires Developer to pay the TUMF which covers the Developer’s fair share of the costs to deliver those TUMF Improvements that help mitigate the Project’s traffic impacts and burdens on the Regional System of Highways and Arterials (also known as the “TUMF Network”), generated by the Project and that are necessary to protect the safety, health and welfare of persons that travel to and from the Project using the TUMF Network;

WHEREAS, the TUMF Improvements have been designated as having Regional or Zonal Significance as further described in the 2016 Nexus Study and the 5 year Transportation Improvement Program as may be amended;

WHEREAS, AGENCY, WRCOG and Developer now desire to enter into this Agreement for the following purposes: (1) to provide for the timely delivery of the TUMF Improvements, (2) to ensure that delivery of the TUMF Improvements is undertaken as if the TUMF Improvements were constructed under the direction and authority of the AGENCY, (3) to provide a means by which the Developer's costs for project delivery of the TUMF Improvements and related right-of-way is offset against Developer's obligation to pay the applicable TUMF for the Project in accordance with the TUMF Administrative Plan adopted by WRCOG, and (4) to provide a means, subject to the separate approval of WRCOG, for Developer to be reimbursed to the extent the actual and authorized costs for the delivery of the TUMF Improvements exceeds Developer's TUMF obligation.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, Developer and AGENCY hereby agree as follows:

TERMS

1.0 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 Construction of TUMF Improvements. Developer shall construct or have constructed at its own cost, expense, and liability certain street and transportation system improvements generally described as 4,130 linear feet of improvements (add two lanes, curb and gutter, and traffic signal improvements) on Nichols Road from Lake Street to Terra Cotta Road and 3,300 linear feet of improvements (add two lanes, curb and gutter, and traffic signal improvements) on Lake Street from Alberhill Ranch Road to a portion extending beyond Nichols Road and as shown more specifically on the plans, profiles, and specifications which have been or will be prepared by or on behalf of Developer and approved by AGENCY, and which are incorporated herein by this reference ("TUMF Improvements"). Construction of the TUMF Improvements shall include any transitions and/or other incidental work deemed necessary for drainage or public safety. Developer shall be responsible for the replacement, relocation, or removal of any component of any existing public or private improvement in conflict with the construction or installation of the TUMF Improvements. Such replacement, relocation, or removal shall be performed to the complete satisfaction of AGENCY and the owner of such improvement. Developer further promises and agrees to provide all equipment, tools, materials, labor, tests, design work, and engineering services necessary to fully and adequately complete the TUMF Improvements.

2.1 Pre-approval of Plans and Specifications. Developer is prohibited from commencing work on any portion of the TUMF Improvements until all plans and specifications for the TUMF Improvements have been submitted to and approved by AGENCY. Approval by AGENCY shall not relieve Developer from ensuring that all TUMF Improvements conform with all other requirements and standards set forth in this Agreement.

2.2 Permits and Notices. Prior to commencing any work, Developer shall, at its sole cost, expense, and liability, obtain all necessary permits and licenses and give all necessary and incidental notices required for the lawful construction of the TUMF Improvements and performance of Developer's obligations under this Agreement. Developer shall conduct the work

in full compliance with the regulations, rules, and other requirements contained in any permit or license issued to Developer.

2.3 Public Works Requirements. In order to insure that the TUMF Improvements will be constructed as if they had been constructed under the direction and supervision, or under the authority of, AGENCY, Developer shall comply with all of the following requirements with respect to the construction of the TUMF Improvements:

(a) Developer shall obtain bids for the construction of the TUMF Improvements, in conformance with the standard procedures and requirements of AGENCY with respect to its public works projects, or in a manner which is approved by the Public Works Department.

(b) The contract or contracts for the construction of the TUMF Improvements shall be awarded to the responsible bidder(s) submitting the lowest responsive bid(s) for the construction of the TUMF Improvements.

(c) Developer shall require, and the specifications and bid and contract documents shall require, all such contractors to pay prevailing wages (in accordance with Articles 1 and 2 of Chapter 1, Part 7, Division 2 of the Labor Code) and to otherwise comply with applicable provisions of the Labor Code, the Government Code and the Public Contract Code relating to public works projects of cities/counties and as required by the procedures and standards of AGENCY with respect to the construction of its public works projects or as otherwise directed by the Public Works Department.

(d) All such contractors shall be required to provide proof of insurance coverage throughout the term of the construction of the TUMF Improvements which they will construct in conformance with AGENCY's standard procedures and requirements.

(e) Developer and all such contractors shall comply with such other requirements relating to the construction of the TUMF Improvements which AGENCY may impose by written notification delivered to Developer and each such contractor at any time, either prior to the receipt of bids by Developer for the construction of the TUMF Improvements, or, to the extent required as a result of changes in applicable laws, during the progress of construction thereof.

Developer shall provide proof to AGENCY, at such intervals and in such form as AGENCY may require that the foregoing requirements have been satisfied as to the TUMF Improvements.

2.4 Quality of Work; Compliance With Laws and Codes. The construction plans and specifications for the TUMF Improvements shall be prepared in accordance with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements. The TUMF Improvements shall be completed in accordance with all approved maps, plans, specifications, standard drawings, and special amendments thereto on file with AGENCY, as well as all applicable federal, state, and local laws, ordinances, regulations, codes, standards, and other requirements applicable at the time work is actually commenced.

2.5 Standard of Performance. Developer and its contractors, if any, shall perform all work required, constructing the TUMF Improvements in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Developer represents and maintains that it or its contractors shall be skilled in the professional calling necessary to perform the work. Developer warrants that all of its employees and contractors shall have sufficient skill and experience to perform the work assigned to them, and that they shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the work, and that such licenses, permits, qualifications and approvals shall be maintained throughout the term of this Agreement.

2.6 Alterations to TUMF Improvements. All work shall be done and the TUMF Improvements completed as shown on approved plans and specifications, and any subsequent alterations thereto. If during the course of construction and installation it is determined that the public interest requires alterations in the TUMF Improvements, Developer shall undertake such design and construction changes as may be reasonably required by AGENCY. Any and all alterations in the plans and specifications and the TUMF Improvements to be completed may be accomplished without first giving prior notice thereof to Developer's surety for this Agreement.

3.0 Maintenance of TUMF Improvements. AGENCY shall not be responsible or liable for the maintenance or care of the TUMF Improvements until AGENCY approves and accepts them. AGENCY shall exercise no control over the TUMF Improvements until accepted. Any use by any person of the TUMF Improvements, or any portion thereof, shall be at the sole and exclusive risk of Developer at all times prior to AGENCY's acceptance of the TUMF Improvements. Developer shall maintain all of the TUMF Improvements in a state of good repair until they are completed by Developer and approved and accepted by AGENCY, and until the security for the performance of this Agreement is released. It shall be Developer's responsibility to initiate all maintenance work, but if it shall fail to do so, it shall promptly perform such maintenance work when notified to do so by AGENCY. If Developer fails to properly prosecute its maintenance obligation under this section, AGENCY may do all work necessary for such maintenance and the cost thereof shall be the responsibility of Developer and its surety under this Agreement. AGENCY shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the TUMF Improvements or their condition prior to acceptance. In no event shall WRCOG be responsible for the maintenance, operation or care of the TUMF Improvements

4.0 Fees and Charges. Developer shall, at its sole cost, expense, and liability, pay all fees, charges, and taxes arising out of the construction of the TUMF Improvements, including, but not limited to, all plan check, design review, engineering, inspection, sewer treatment connection fees, and other service or impact fees established by AGENCY.

5.0 AGENCY Inspection of TUMF Improvements. Developer shall, at its sole cost, expense, and liability, and at all times during construction of the TUMF Improvements, maintain reasonable and safe facilities and provide safe access for inspection by AGENCY of the TUMF Improvements and areas where construction of the TUMF Improvements is occurring or will occur.

6.0 Liens. Upon the expiration of the time for the recording of claims of liens as prescribed by Sections 8412 and 8414 of the Civil Code with respect to the TUMF Improvements, Developer shall provide to AGENCY such evidence or proof as AGENCY shall require that all persons, firms

and corporations supplying work, labor, materials, supplies and equipment to the construction of the TUMF Improvements, have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation. Rather than await the expiration of the said time for the recording of claims of liens, Developer may elect to provide to AGENCY a title insurance policy or other security acceptable to AGENCY guaranteeing that no such claims of liens will be recorded or become a lien upon any of the Property.

7.0 Acceptance of TUMF Improvements; As-Built or Record Drawings. If the TUMF Improvements are properly completed by Developer and approved by AGENCY, and if they comply with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements, AGENCY shall be authorized to accept the TUMF Improvements. AGENCY may, in its sole and absolute discretion, accept fully completed portions of the TUMF Improvements prior to such time as all of the TUMF Improvements are complete, which shall not release or modify Developer's obligation to complete the remainder of the TUMF Improvements. Upon the total or partial acceptance of the TUMF Improvements by AGENCY, Developer shall file with the Recorder's Office of the County of Riverside a notice of completion for the accepted TUMF Improvements in accordance with California Civil Code sections 8182, 8184, 9204, and 9208 ("Notice of Completion"), at which time the accepted TUMF Improvements shall become the sole and exclusive property of AGENCY without any payment therefore. Notwithstanding the foregoing, AGENCY may not accept any TUMF Improvements unless and until Developer provides one (1) set of "as-built" or record drawings or plans to the AGENCY for all such TUMF Improvements. The drawings shall be certified and shall reflect the condition of the TUMF Improvements as constructed, with all changes incorporated therein.

8.0 Warranty and Guarantee. Developer hereby warrants and guarantees all the TUMF Improvements against any defective work or labor done, or defective materials furnished in the performance of this Agreement, including the maintenance of the TUMF Improvements, for a period of one (1) year following completion of the work and acceptance by AGENCY ("Warranty"). During the Warranty, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the TUMF Improvements, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of AGENCY, and to the approval of AGENCY. All repairs, replacements, or reconstruction during the Warranty shall be at the sole cost, expense, and liability of Developer and its surety. As to any TUMF Improvements which have been repaired, replaced, or reconstructed during the Warranty, Developer and its surety hereby agree to extend the Warranty for an additional one (1) year period following AGENCY's acceptance of the repaired, replaced, or reconstructed TUMF Improvements. Nothing herein shall relieve Developer from any other liability it may have under federal, state, or local law to repair, replace, or reconstruct any TUMF Improvement following expiration of the Warranty or any extension thereof. Developer's warranty obligation under this section shall survive the expiration or termination of this Agreement.

9.0 Administrative Costs. If Developer fails to construct and install all or any part of the TUMF Improvements, or if Developer fails to comply with any other obligation contained herein, Developer and its surety shall be jointly and severally liable to AGENCY for all administrative expenses, fees, and costs, including reasonable attorney's fees and costs, incurred in obtaining

compliance with this Agreement or in processing any legal action or for any other remedies permitted by law.

10.0 Default; Notice; Remedies.

10.1 Notice. If Developer neglects, refuses, or fails to fulfill or timely complete any obligation, term, or condition of this Agreement, or if AGENCY determines there is a violation of any federal, state, or local law, ordinance, regulation, code, standard, or other requirement, AGENCY may at any time thereafter declare Developer to be in default or violation of this Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation (“Notice”). Developer shall substantially commence the work required to remedy the default or violation within five (5) days of the Notice. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, AGENCY may provide the Notice verbally, and Developer shall substantially commence the required work within twenty-four (24) hours thereof. Immediately upon AGENCY’s issuance of the Notice, Developer and its surety shall be liable to AGENCY for all costs of construction and installation of the TUMF Improvements and all other administrative costs or expenses as provided for in this Section 10.0 of this Agreement.

10.2 Failure to Remedy; AGENCY Action. If the work required to remedy the noticed default or violation is not diligently prosecuted to a completion acceptable to AGENCY within the time frame contained in the Notice, AGENCY may complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity as in its sole and absolute discretion it believes is required to remedy the default or violation. All such work or remedial activity shall be at the sole and absolute cost, expense, and liability of Developer and its surety, without the necessity of giving any further notice to Developer or surety. AGENCY’s right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any of the TUMF Improvements at the time of AGENCY’s demand for performance. In the event AGENCY elects to complete or arrange for completion of the remaining work and the TUMF Improvements, AGENCY may require all work by Developer or its surety to cease in order to allow adequate coordination by AGENCY.

10.3 Other Remedies. No action by AGENCY pursuant to this Section 10.0 et seq. of this Agreement shall prohibit AGENCY from exercising any other right or pursuing any other legal or equitable remedy available under this Agreement or any federal, state, or local law. AGENCY may exercise its rights and remedies independently or cumulatively, and AGENCY may pursue inconsistent remedies. AGENCY may institute an action for damages, injunctive relief, or specific performance.

11.0 Security; Surety Bonds. Prior to the commencement of any work on the TUMF Improvements, Developer or its contractor shall provide AGENCY with surety bonds in the amounts and under the terms set forth below (“Security”). The amount of the Security shall be based on the estimated actual costs to construct the TUMF Improvements, as determined by AGENCY after Developer has awarded a contract for construction of the TUMF Improvements to the lowest responsive and responsible bidder in accordance with this Agreement (“Estimated Costs”). If AGENCY determines, in its sole and absolute discretion, that the Estimated Costs have changed, Developer or its contractor shall adjust the Security in the amount requested by

AGENCY. Developer's compliance with this Section 11.0 et seq. of this Agreement shall in no way limit or modify Developer's indemnification obligation provided in Section 12.0 of this Agreement.

11.1 Performance Bond. To guarantee the faithful performance of the TUMF Improvements and all the provisions of this Agreement, to protect AGENCY if Developer is in default as set forth in Section 10.0 et seq. of this Agreement, and to secure the one-year guarantee and warranty of the TUMF Improvements, Developer or its contractor shall provide AGENCY a faithful performance bond in an amount which sum shall be not less than one hundred percent (100%) of the Estimated Costs. The AGENCY may, in its sole and absolute discretion, partially release a portion or portions of the security provided under this section as the TUMF Improvements are accepted by AGENCY, provided that Developer is not in default on any provision of this Agreement and the total remaining security is not less than ten percent (10%) of the Estimated Costs. All security provided under this section shall be released at the end of the Warranty period, or any extension thereof as provided in Section 11.0 of this Agreement, provided that Developer is not in default on any provision of this Agreement.

11.2 Labor & Material Bond. To secure payment to the contractors, subcontractors, laborers, materialmen, and other persons furnishing labor, materials, or equipment for performance of the TUMF Improvements and this Agreement, Developer or its contractor shall provide AGENCY a labor and materials bond in an amount which sum shall not be less than one hundred percent (100%) of the Estimated Costs. The security provided under this section may be released by written authorization of AGENCY after six (6) months from the date AGENCY accepts the TUMF Improvements. The amount of such security shall be reduced by the total of all stop notice or mechanic's lien claims of which AGENCY is aware, plus an amount equal to twenty percent (20%) of such claims for reimbursement of AGENCY's anticipated administrative and legal expenses arising out of such claims.

11.3 Additional Requirements. The surety for any surety bonds provided as Security shall have a current A.M. Best rating of at least "A" and FSC-VIII, shall be licensed to do business in California, and shall be satisfactory to AGENCY. As part of the obligation secured by the Security and in addition to the face amount of the Security, Developer, its contractor or the surety shall secure the costs and reasonable expenses and fees, including reasonable attorney's fees and costs, incurred by AGENCY in enforcing the obligations of this Agreement. Developer, its contractor and the surety shall stipulate and agree that no change, extension of time, alteration, or addition to the terms of this Agreement, the TUMF Improvements, or the plans and specifications for the TUMF Improvements shall in any way affect its obligation on the Security.

11.4 Evidence and Incorporation of Security. Evidence of the Security shall be provided on the forms set forth in Exhibit "B", unless other forms are deemed acceptable by the AGENCY, and when such forms are completed to the satisfaction of AGENCY, the forms and evidence of the Security shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

12.0 Indemnification. Developer shall defend, indemnify, and hold harmless AGENCY, the Western Riverside Council of Governments (WRCOG), their elected officials, board members, employees, and agents from any and all actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed

by a court of law or by administrative action of any federal, state, or local governmental agency, arising out of or incident to any acts, omissions, negligence, or willful misconduct of Developer, its employees, contractors, or agents in connection with the performance of this Agreement, or arising out of or in any way related to or caused by the TUMF Improvements or their condition prior to AGENCY's approval and acceptance of the TUMF Improvements ("Claims"). This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorney fees, and related costs or expenses, and the reimbursement of AGENCY, WRCOG, their elected officials, board members, employees, and/or agents for all legal expenses and costs incurred by each of them. This indemnification excludes only such portion of any Claim which is caused solely and exclusively by the negligence or willful misconduct of AGENCY as determined by a court or administrative body of competent jurisdiction. Developer's obligation to indemnify shall survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by AGENCY, WRCOG, their elected officials, board members, employees, or agents.

13.0 Insurance.

13.1 Types; Amounts. Developer shall procure and maintain, and shall require its contractors to procure and maintain, during performance of this Agreement, insurance of the types and in the amounts described below ("Required Insurance"). If any of the Required Insurance contains a general aggregate limit, such insurance shall apply separately to this Agreement or be no less than two times the specified occurrence limit.

13.1.1 General Liability. Occurrence form general liability insurance at least as broad as Insurance Services Office Form CG 00 01, or equivalent form, with an occurrence limit of Two Million Dollars (\$2,000,000) and aggregate limit of Four Million Dollars (\$4,000,000) for bodily injury, personal injury, and property damage.

13.1.2 Business Automobile Liability. Business automobile liability insurance at least as broad as Insurance Services Office Form CA 00 01 (coverage symbol 1 – any auto), or equivalent form, with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance shall include coverage for the ownership, operation, maintenance, use, loading, or unloading of any auto owned, leased, hired, or borrowed by the insured or for which the insured is responsible.

13.1.3 Workers' Compensation. Workers' compensation insurance with limits as required by the Labor Code of the State of California and employers' liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence, at all times during which insured retains employees.

13.1.4 Professional Liability. For any consultant or other professional who will engineer or design the TUMF Improvements, liability insurance for errors and omissions with limits not less than Two Million Dollars (\$2,000,000) per occurrence, shall be procured and maintained for a period of five (5) years following completion of the TUMF Improvements. Such insurance shall be endorsed to include contractual liability.

13.2 Deductibles. Any deductibles or self-insured retentions must be declared to and approved by AGENCY. At the option of AGENCY, either: (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects AGENCY, its elected officials, officers, employees, agents, and volunteers; or (b) Developer and its contractors shall provide a financial guarantee satisfactory to AGENCY guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

13.3 Additional Insured; Separation of Insureds. The Required Insurance, except for the professional liability and workers' compensation insurance, shall name AGENCY, WRCOG, their elected officials, board members, officers, employees, and agents as additional insureds with respect to work performed by or on behalf of Developer or its contractors, including any materials, parts, or equipment furnished in connection therewith. For Required Insurance provided by Developer's contractors, WRCOG shall be added as an additional insured using ISO CG 2038 or an exact equivalent. The Required Insurance shall contain standard separation of insureds provisions, and shall contain no special limitations on the scope of its protection to AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents.

13.4 Primary Insurance; Waiver of Subrogation. The Required Insurance, except for the professional liability and workers' compensation insurance shall be primary with respect to any insurance or self-insurance programs covering AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents. The Required Insurance, except for the professional liability insurance, shall provide that the insurance company waives all right of recovery by way of subrogation against AGENCY and WRCOG in connection with any damage or harm covered by such policy.

13.5 Certificates; Verification. Developer and its contractors shall furnish AGENCY with original certificates of insurance and endorsements effecting coverage for the Required Insurance. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by AGENCY before work pursuant to this Agreement can begin. AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time.

13.6 Term; Cancellation Notice. Developer and its contractors shall maintain the Required Insurance for the term of this Agreement and shall replace any certificate, policy, or endorsement which will expire prior to that date. All policies shall be endorsed to provide that the Required Insurance shall not be suspended, voided, reduced, canceled, or allowed to expire except on thirty (30) days' prior written notice to AGENCY. If such notice of cancellation endorsements are unavailable, Developer shall provide such thirty (30) days' written notice of cancellation.

13.7 Insurer Rating. Unless approved in writing by AGENCY, all Required Insurance shall be placed with insurers licensed to do business in the State of California and with a current A.M. Best rating of at least "A" and FSC-VIII.

14.0 TUMF Credit.

14.1 Developer's TUMF Obligation. Developer hereby agrees and accepts that as of the date of this Agreement, the amount Developer is obligated to pay to AGENCY _ pursuant to Ordinance No. 2017-1381 (City of Lake Elsinore Municipal Code Chapter 16.83) as part of the TUMF Program is \$10,104 per unit x 344 units = \$3,475,776 ("TUMF Obligation"). This TUMF Obligation shall be initially determined under the TUMF fee schedule in effect for the AGENCY at the time the Developer submits a building permit application for the TUMF Improvement. Notwithstanding, this TUMF Obligation does not have to be paid until the Certificate of Occupancy is obtained.

14.2 Fee Adjustments. Notwithstanding the foregoing, Developer agrees that this Agreement shall not estop AGENCY from adjusting the TUMF in accordance with the provisions of Ordinance No. 2017-1381 (City of Lake Elsinore Municipal Code Chapter 16.83).

14.3 Credit Offset Against TUMF Obligation. Pursuant to Ordinance No. 2017-1381 (City of Lake Elsinore Municipal Code Chapter 16.83) and in consideration for Developer's obligation under this Agreement for the delivery of TUMF Improvements, credit shall be applied by AGENCY to offset the TUMF Obligation ("Credit") subject to adjustment and reconciliation under Section 14.5 of this agreement. Developer hereby agrees that the amount of the Credit shall be applied after Developer has initiated the process of project delivery of TUMF Improvements to the lowest responsible bidder in accordance with this Agreement. Developer further agrees that the dollar amount of the Credit shall be equal to the lesser of: (A) the bid amount set forth in the contract awarded to the lowest responsible bidder, or (B) the unit cost assumptions for the TUMF Improvement in effect at the time of the contract award, as such assumptions are identified and determined in the most recent TUMF Nexus Study and the TUMF Administrative Plan adopted by WRCOG ("Unit Cost Assumptions").

The bid amount and the Unit Cost Assumptions shall hereafter be collectively referred to as "Estimated Credit". At no time will the Credit exceed the Developer's TUMF Obligation. If the dollar amount of the Estimated Credit exceeds the dollar amount of the TUMF Obligation, Developer will be deemed to have completely satisfied its TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. If the dollar amount of the Estimated Credit is less than the dollar amount of the TUMF Obligation, the Developer agrees the Credit shall be applied to offset the TUMF Obligation as follows:

(i) For residential units in the Project, the Credit shall be applied to all residential units to offset and/or satisfy the TUMF Obligation. The residential units for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to each unit, shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

(ii) For commercial and industrial structures in the Project, the Credit shall be applied to all commercial and industrial development to offset and/or satisfy the TUMF Obligation. The commercial or industrial structure(s) for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to such structure(s), shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section, including how the Credit is applied to offset the TUMF Obligation as described above.

14.4 Verified Cost of the TUMF Improvements. Upon recordation of the Notice of Completion for the TUMF Improvements and acceptance of the TUMF Improvements by AGENCY, Developer shall submit to the AGENCY Public Works Director the information set forth in the attached Exhibit “C”. The AGENCY Public Works Director, or his or her designee, shall use the information provided by Developer to calculate the total actual costs incurred by Developer in delivering the TUMF Improvements covered under this Agreement (“Verified Costs”). The AGENCY Public Works Director will use his or her best efforts to determine the amount of the Verified Costs and provide Developer written notice thereof within thirty (30) calendar days of receipt of all the required information from Developer. The Agency may request that WRCOG calculate the amount of the Verified Cost. In this case, the AGENCY shall provide WRCOG written notice and all necessary documentation and allow WRCOG fifteen (15) days to determine costs. Agency will notify the Developer within the previous thirty (30) day deadline

14.5 Reconciliation; Final Credit Offset Against TUMF Obligation. The Developer is aware of and accepts the fact that Credits are speculative and conceptual in nature. The actual amount of Credit that shall be applied by AGENCY to offset the TUMF Obligation shall be equal to the lesser of: (A) the Verified Costs or (B) Unit Cost Assumptions for the TUMF Improvements as determined in accordance with Section 14.3 of this Agreement (“Actual Credit”). No Actual Credit will be awarded until the Verified Costs are determined through the reconciliation process. Please be advised that while a Developer may use an engineer’s estimates in order to estimate Credits for project planning purposes, the Actual Credit awarded will only be determined by the reconciliation process.

(a) TUMF Balance. If the dollar amount of the Actual Credit is less than the dollar amount of the TUMF Obligation, the AGENCY Public Works Director shall provide written notice to Developer of the amount of the difference owed (“TUMF Balance”) and Developer shall pay the TUMF Balance in accordance with Ordinance No. 2017-1381 (City of Lake Elsinore Municipal Code Chapter 16.83) to fully satisfy the TUMF Obligation (see Exhibit “F” - Example “A”).

(b) TUMF Reimbursement. If the dollar amount of the Actual Credit exceeds the TUMF Obligation, Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section (see Exhibit “F” - Example “B”).

(c) TUMF Overpayment. If the dollar amount of the Actual Credit exceeds the Estimated Credit, but is less than the TUMF Obligation, but the Actual Credit plus additional monies collected by AGENCY from Developer for the TUMF Obligation exceed the TUMF Obligation (“TUMF Overpayment”), Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may be entitled to a refund. The AGENCY’s Public Works

Director shall provide written notice to WRCOG and the Developer of the amount of the TUMF Overpayment and AGENCY shall direct WRCOG to refund the Developer in accordance with Ordinance No. 2017-1381 (City of Lake Elsinore Municipal Code Chapter 16.83) (see Exhibit “F” - Example C)

14.6 Reimbursement Agreement. If authorized under either Section 14.3 or Section 14.5 Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the Actual Credit exceeds the TUMF Obligation, as determined pursuant to Section 14.3 of this Agreement, Ordinance No. 2017-1381 (City of Lake Elsinore Municipal Code Chapter 16.83), and the TUMF Administrative Plan adopted by WRCOG (“Reimbursement Agreement”). If AGENCY and WRCOG agree to a Reimbursement Agreement with Developer, the Reimbursement Agreement shall be executed on the form set forth in Exhibit “D,” and shall contain the terms and conditions set forth therein. The Parties agree that the Reimbursement Agreement shall be subject to all terms and conditions of this Agreement, and that upon execution, an executed copy of the Reimbursement Agreement shall be attached hereto and shall be incorporated herein as a material part of this Agreement as though fully set forth herein.

15.0 Miscellaneous.

15.1 Assignment. Developer may, as set forth herein, assign all or a portion of its rights pursuant to this Agreement to a purchaser of a portion or portions of the Property (“Assignment”). Developer and such purchaser and assignee (“Assignee”) shall provide to AGENCY such reasonable proof as it may require that Assignee is the purchaser of such portions of the Property. Any assignment pursuant to this Section shall not be effective unless and until Developer and Assignee have executed an assignment agreement with AGENCY in a form reasonably acceptable to AGENCY, whereby Developer and Assignee agree, except as may be otherwise specifically provided therein, to the following: (1) that Assignee shall receive all or a portion of Developer's rights pursuant to this Agreement, including such credit as is determined to be applicable to the portion of the Property purchased by Assignee pursuant to Section 14.0 et seq. of this Agreement, and (2) that Assignee shall be bound by all applicable provisions of this Agreement.

15.2 Relationship Between the Parties. The Parties hereby mutually agree that this Agreement shall not operate to create the relationship of partnership, joint venture, or agency between or among AGENCY, WRCOG and Developer. Developer’s contractors are exclusively and solely under the control and dominion of Developer. Nothing herein shall be deemed to make Developer or its contractors an agent or contractor of AGENCY. This Agreement shall be interpreted and administered in a manner consistent with the TUMF Administrative Plan in effect at the time this Agreement is executed.

15.3 Warranty as to Property Ownership; Authority to Enter Agreement. Developer hereby warrants that it owns fee title to the Property and that it has the legal capacity to enter into this Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority make this Agreement and bind each respective Party.

15.4 Prohibited Interests. Developer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Developer, to solicit or secure this Agreement. Developer also warrants that it has not paid or agreed to pay any company

or person, other than a bona fide employee working solely for Developer, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon the making of this Agreement. For breach of this warranty, AGENCY shall have the right to rescind this Agreement without liability.

15.5 Notices. All notices, demands, invoices, and written communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To AGENCY: City of Lake Elsinore
Attn: Remon Habib
130 South Main Street
Lake Elsinore, CA 92539

Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attention: Executive Director
Telephone: (951) 405-6700
Fax No. (951) 223-9720

To Developer: Pulte Home Company
Attn: Matthew D. Matson_
27401 Los Altos, Ste. 400
Mission Viejo, California 92691

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent; by messenger, as of the date delivered; and by U.S. Mail first class postage prepaid, as of 72 hours after deposit in the U.S. Mail.

15.6 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

15.7 Construction; References; Captions. It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days, or period for performance shall be deemed calendar days and not work days. All references to Developer include all personnel, employees, agents, and contractors of Developer, except as otherwise specified in this Agreement. All references to AGENCY include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

15.8 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

15.9 Termination. This Agreement shall terminate 10 years after the Effective Date, unless extended in writing by the Parties. In addition, this Agreement shall terminate 5 years after the Effective Date in the event that the TUMF Improvements as specified in the Credit Agreement is not commenced within 5 years of the Effective Date.

15.9.1 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual right by custom, estoppel, or otherwise.

15.9.2 Binding Effect. Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

15.9.3 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

15.9.4 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

15.9.5 Consent to Jurisdiction and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Riverside, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, Developer expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

15.9.6 Time is of the Essence. Time is of the essence in this Agreement, and the Parties agree to execute all documents and proceed with due diligence to complete all covenants and conditions.

15.9.7 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

15.9.8 Entire Agreement. This Agreement contains the entire agreement between AGENCY and Developer and supersedes any prior oral or written statements or agreements between AGENCY and Developer.

[SIGNATURES OF PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:

Pulte Home Company, LLC,
a Michigan limited liability company

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENT:

By: _____

Its: Executive Director-_____

APPROVED TO FORM:

By: _____

Its: _____

AGENCY:
CITY OF LAKE ELSINORE

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

LOTS 1 THROUGH 344, INCLUSIVE, LETTERED LOTS S THROUGH Z, INCLUSIVE, AA THROUGH ZZ, INCLUSIVE, AND AAA THROUGH CCC, INCLUSIVE OF TRACT MAP NO. 28214-9, IN THE CHY OF LAKE ELSINORE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN SOOK 480, PAGES 96 THROUGH 122, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPTING FROM A PORTION OF SAID LAND ALL MINERALS, INCLUDING, WITHOUT LIMITING THE GENERALITY THEREOF, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS WELL AS METALLIC OR OTHER SOLID MINERALS, WITHOUT, HOWEVER, THE RIGHT TO GO UPON OR USE THE SURF ACE OF SAID LAND, OR ANY PART THEREOF, FOR THE PURPOSE OF DRILLING FOR, MINING, OR OTHERWISE REMOVING, ANY OF SAID .MINERALS. TOGETHER WITH THE RIGHT TO REMOVE ANY OF SAID MINERALS FROM SAID LAND BY MEANS OF WELLS, SHAFTS, TUNNELS, OR OTHER MEANS OF ACCESS TO SAID MINERALS WIDCH MAY BE CONSTRUCTED, DRILLED OR DUG FROM OTHER LAND, PROVIDED THAT THE EXERCISE OF SUCH RIGHTS SHALL IN NOWAY INTERFERE WITH OR IMP AIR THE USE OF THE SURFACE OF SAID LAND OR OF ANY IMPROVEMENTS THEREON, AS RESERVED BY THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMP ANY IN THE DEED RECORDED NOVEMBER 27, 1985 AS INSTRUMENT NO. 268350, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, COAL AND CLAY DEPOSITS, NATURAL GAS RIGHTS, OTHER HYDROCARBONS, AND GEOTHERMAL, DEPOSITS OR RESOURCES BY WI-IA TSO EVER NAME KNOWN, THAT MAY BE WITHIN OR UNDER SAID LAND AND THAT HA VE NOT HERETOFORE BEEN RESERVED OF RECORD BY OR CONVEYED OF RECORD TO OTHERS, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING, THEREFOR AND STORING IN AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS, AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, STORE, EXPLORE AND OPERA TE THROUGH THE SURFACE OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE LANDS HEREINABOVE DESCRIBED, AS RESERVED BY LONG BEACH EQUITIES, INC., IN THE DEED RECORDED SEPTEMBER 29, 1989 AS INSTRUMENT NO. 337562, OFFICIAL RECORDS.

APN: PORTIONS OF 389-090-015; 389-090-012; 389-121-001; 389-121-002 AND 389-121-003

EXHIBIT “B”
FORMS FOR SECURITY
[ATTACHED BEHIND THIS PAGE]

EXHIBIT B-1

BOND NO. _____
INITIAL PREMIUM: _____
SUBJECT TO RENEWAL

PERFORMANCE BOND

WHEREAS, the City of Lake Elsinore (“AGENCY”) has executed an agreement with (hereinafter “Developer”), requiring Developer to perform certain work consisting of but not limited to, furnishing all labor, materials, tools, equipment, services, and incidentals for the construction of street and transportation system improvements (hereinafter the “Work”);

WHEREAS, the Work to be performed by Developer is more particularly set forth in that certain TUMF Improvement and Credit/Reimbursement Agreement dated _____, (hereinafter the “Agreement”); and

WHEREAS, the Agreement is hereby referred to and incorporated herein by this reference; and

WHEREAS, Developer or its contractor is required by the Agreement to provide a good and sufficient bond for performance of the Agreement, and to guarantee and warranty the Work constructed thereunder.

NOW, THEREFORE, we the undersigned, _____, as Principal and a corporation organized and existing under the laws of the State of and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the AGENCY in the sum of _____ (\$_____), said sum being not less than one hundred percent (100%) of the total cost of the Work as set forth in the Agreement, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such, that if Developer and its contractors, or their heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, agreements, guarantees, and warranties in the Agreement and any alteration thereof made as therein provided, to be kept and performed at the time and in the manner therein specified and in all respects according to their intent and meaning, and to indemnify and save harmless AGENCY, its officers, employees, and agents, as stipulated in the Agreement, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney’s fees, incurred by AGENCY in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the said Agreement or to the Work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on

EXHIBIT B-2

this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the Work.

IN WITNESS WHEREOF, we have hereto set our hands and seals this ____ day on _____, 20__.

Principal

By: _____
President

Surety

By: _____
Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE §1189**

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

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, before me,

Date

Here Insert Name and Title of the Officer

personally appeared _____,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title of Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Corporate Officer – Title(s): _____

☐ Partner - ☐ Limited ☐ General

☐ Partner - ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Trustee ☐ Guardian or Conservator

☐Other: _____

Signer is Representing: _____

—

—

☐Other: _____

Signer is Representing: _____

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CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the _____ Secretary of the corporation named as principal in the attached bond, that _____ who signed the said bond on behalf of the principal was then _____ of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed and attested for and in behalf of said corporation by authority of its governing Board.

(Corporate Seal)

Signature

Date

NOTE: A copy of the power of attorney to local representatives of the bonding company may be attached hereto.

BOND NO. _____
INITIAL PREMIUM: _____
SUBJECT TO RENEWAL

LABOR & MATERIAL BOND

WHEREAS, the of (“AGENCY”) has executed an agreement with (hereinafter “Developer”), requiring Developer to perform certain work consisting of but not limited to, furnishing all labor, materials, tools, equipment, services, and incidentals for the construction of street and transportation system improvements (hereinafter “Work”);

WHEREAS, the Work to be performed by Developer is more particularly set forth in that certain Improvement and Credit / Reimbursement Agreement dated _____, (hereinafter the “Agreement”); and

WHEREAS, Developer or its contractor is required to furnish a bond in connection with the Agreement providing that if Developer or any of his or its contractors shall fail to pay for any materials, provisions, or other supplies, or terms used in, upon, for or about the performance of the Work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the provisions of 3248 of the California Civil Code, with respect to such work or labor, that the Surety on this bond will pay the same together with a reasonable attorney’s fee in case suit is brought on the bond.

NOW, THEREFORE, we the undersigned, _____, as Principal and a corporation organized and existing under the laws of the State of and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the AGENCY and to any and all material men, persons, companies or corporations furnishing materials, provisions, and other supplies used in, upon, for or about the performance of the said Work, and all persons, companies or corporations renting or hiring teams, or implements or machinery, for or contributing to said Work to be done, and all persons performing work or labor upon the same and all persons supplying both work and materials as aforesaid, the sum of _____ (\$_____), said sum being not less than 100% of the total amount payable by Developer under the terms of the Agreement, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Developer or its contractors, or their heirs, executors, administrators, successors, or assigns, shall fail to pay for any materials, provisions, or other supplies or machinery used in, upon, for or about the performance of the Work contracted to be done, or for work or labor thereon of any kind, or fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the contractor and his subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, and all other applicable laws of the State of California and rules and regulations of its agencies, then said Surety will pay the

same in or to an amount not exceeding the sum specified herein.

In case legal action is required to enforce the provisions of this bond, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to court costs, necessary disbursements and other consequential damages. In addition to the provisions hereinabove, it is agreed that this bond will inure to the benefit of any and all persons, companies and corporations entitled to make claims under Sections 8024, 8400, 8402, 8404, 8430, 9100 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the Agreement or to the Work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the Work.

IN WITNESS WHEREOF, we have hereto set our hands and seals this ____ day on _____, 20__.

Principal

By: _____
President

Surety

By: _____
Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE §1189**

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

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, before me,

Date

Here Insert Name and Title of the Officer

personally appeared _____,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title of Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner - ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner - ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer is Representing: _____

—

—

☐ Other: _____

Signer is Representing: _____

—

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CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the _____ Secretary of the corporation named as principal in the attached bond, that _____ who signed the said bond on behalf of the principal was then _____ of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed and attested for and in behalf of said corporation by authority of its governing Board.

(Corporate Seal)

Signature

Date

NOTE: A copy of the power of attorney to local representatives of the bonding company may be attached hereto.

EXHIBIT “C”

DOCUMENTATION TO BE PROVIDED TO AGENCY BY DEVELOPER FOR DETERMINATION OF VERIFIED COSTS

To assist AGENCY in determining the Verified Costs for a completed TUMF Improvement, Developer shall provide the following documents to AGENCY:

1. Plans, specifications and Developer’s civil engineer’s cost estimate;
2. If Developer is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvement. Only actual, documented and reasonable costs directly related to the TUMF Improvement will be considered. Costs should be documented as specified below.
3. Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.
4. List of bidders from whom bids were requested;
5. Construction schedules and progress reports;
6. Contracts, insurance certificates and change orders with each contractor, consultant, service provider or vendor;
7. Invoices received from all contractors, consultants, service providers and vendors;
8. Canceled checks for payments made to contractors, consultants, service providers and vendors (copy both front and back of canceled checks);
9. Spreadsheet showing total costs incurred in and related to the construction of each TUMF Improvement and the check number for each item of cost and invoice;
10. Final lien releases from each contractor and vendor; and
11. Such further documentation as may be reasonably required by AGENCY to evidence the completion of construction and the payment of each item of cost and invoice.

EXHIBIT “D”

REIMBURSEMENT AGREEMENT TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is entered into this ____ day of _____, 20____, by and between the City of Lake Elsinore, a California municipal corporation, (“AGENCY”), the Western Riverside Council of Governments (“WRCOG”), a Joint Powers Agency and Pulte Home Company, LLC, a Michigan limited liability company, with its principal place of business at 27401 Los Altos, Ste. 400, Mission Viejo, California 92691 (“Developer”). AGENCY and Developer are sometimes hereinafter referred to individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, AGENCY, WRCOG and Developer are parties to an agreement dated _____, 20____, entitled “Improvement and Credit Agreement - Transportation Uniform Mitigation Fee Program” (hereinafter “Credit Agreement”);

WHEREAS, Sections 14.1 through 14.3 of the Credit Agreement provide that Developer is obligated to pay AGENCY the TUMF Obligation, as defined therein, but shall receive credit to offset the TUMF Obligation if Developer constructs and AGENCY accepts the TUMF Improvements in accordance with the Credit Agreement;

WHEREAS, Section 14.5 of the Credit Agreement provides that if the dollar amount of the credit to which Developer is entitled under the Credit Agreement exceeds the dollar amount of the TUMF Obligation, Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the credit exceeds the TUMF Obligation;

WHEREAS, Section 14.5 additionally provides that a reimbursement agreement executed pursuant to the Credit Agreement (i) shall be executed on the form attached to the Credit Agreement, (ii) shall contain the terms and conditions set forth therein, (iii) shall be subject to all terms and conditions of the Credit Agreement, and (iv) shall be attached upon execution to the Credit Agreement and incorporated therein as a material part of the Credit Agreement as though fully set forth therein; and

WHEREAS, AGENCY and WRCOG have consented to execute a reimbursement agreement with Developer pursuant to the Credit Agreement, City of Lake Elsinore, and the TUMF Administrative Plan adopted by WRCOG.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

TERMS

1.0 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 Effectiveness. This Agreement shall not be effective unless and until the Credit Agreement is effective and in full force in accordance with its terms.

3.0 Definitions. Terms not otherwise expressly defined in this Agreement, shall have the meaning and intent set forth in the Credit Agreement.

4.0 Amount of Reimbursement. Subject to the terms, conditions, and limitations set forth in this Agreement, the Parties hereby agree that Developer is entitled to receive the dollar amount by which the Actual Credit exceeds the dollar amount of the TUMF Obligation as determined pursuant to the Credit Agreement, City of Lake Elsinore, and the TUMF Administrative Plan adopted by WRCOG (“Reimbursement”). The Reimbursement shall be subject to verification by WRCOG. AGENCY and Developer shall provide any and all documentation reasonably necessary for WRCOG to verify the amount of the Reimbursement. The Reimbursement shall be in an amount not exceeding [INSERT DOLLAR AMOUNT] (“Reimbursement Amount”). WRCOG shall, upon receipt and approval of information requested by WRCOG, shall be responsible for transmitting the Reimbursement Amount to the Developer. In no event shall the dollar amount of the Reimbursement exceed the difference between the dollar amount of all credit applied to offset the TUMF Obligation pursuant to Section 14.3, 14.4, and 14.5 of the Credit Agreement, and one hundred (100%) of the approved unit awarded, as such assumptions are identified and determined in the Nexus Study and the TUMF Administrative Plan adopted by WRCOG.

5.0 Payment of Reimbursement; Funding Contingency. The payment of the Reimbursement Amount shall be subject to the following conditions:

5.1 Developer shall have no right to receive payment of the Reimbursement unless and until (i) the TUMF Improvements are completed and accepted by AGENCY in accordance with the Credit Agreement, (ii) the TUMF Improvements are scheduled for funding pursuant to the five-year Transportation Improvement Program adopted annually by WRCOG, (iii) WRCOG has funds available and appropriated for payment of the Reimbursement amount.

5.2 Developer shall not be entitled to any interest or other cost adjustment for any delay between the time when the dollar amount of the Reimbursement is determined and the time when payment of the Reimbursement is made to Developer by WRCOG through AGENCY.

6.0 Affirmation of Credit Agreement. AGENCY and Developer represent and warrant to each other that there have been no written or oral modifications or amendments of the Credit Agreement, except by this Agreement. AGENCY and Developer ratify and reaffirm each and every one of their respective rights and obligations arising under the Credit Agreement. AGENCY and Developer represent and warrant that the Credit Agreement is currently an effective, valid, and binding obligation.

7.0 Incorporation Into Credit Agreement. Upon execution of this Agreement, an executed original of this Agreement shall be attached as Exhibit “D” to the Credit Agreement and shall be incorporated therein as a material part of the Credit Agreement as though fully set forth therein.

8.0 Terms of Credit Agreement Controlling. Each Party hereby affirms that all provisions of the Credit Agreement are in full force and effect and shall govern the actions of the Parties under this Agreement as though fully set forth herein and made specifically applicable hereto, including

without limitation, the following sections of the Credit Agreement: Sections 10.0 through 10.3, Section 12.0, Sections 13.0 through 13.7, Sections 14.0 through 14.6, and Sections 15.0 through 15.17.

[SIGNATURES OF PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

Pulte Home Company, LLC

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

City of Lake Elsinore

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

EXHIBIT “E”

TUMF CREDIT / REIMBURSEMENT ELIGIBILITY PROCESS

1. Prior to the construction of any TUMF Improvement, Developer shall follow the steps listed below:

- (a) Prepare a separate bid package for the TUMF Improvements.
- (b) The plans, cost estimate, specifications and contract document shall require all contractors to pay prevailing wages and to comply with applicable provisions of the Labor Code, Government Code, and Public Contract Code relating to Public Works Projects.
- (c) Bids shall be obtained and processed in accordance with the formal public works bidding requirements of the AGENCY.
- (d) The contract(s) for the construction of TUMF Improvements shall be awarded to the lowest responsible bidder(s) for the construction of such facilities in accordance with the AGENCY’s requirements and guidelines.
- (e) Contractor(s) shall be required to provide proof of insurance coverage throughout the duration of the construction.

2. Prior to the determination and application of any Credit pursuant to a TUMF Improvement and Credit Agreement executed between AGENCY and Developer ("Agreement"), Developer shall provide the AGENCY and WRCOG with the following:

- (a) Copies of all information listed under Item 1 above.
- (b) Surety Bond, Letter of Credit, or other form of security permitted under the Agreement and acceptable to the AGENCY and WRCOG, guaranteeing the construction of all applicable TUMF Improvements.

3. Prior to the AGENCY’s acceptance of any completed TUMF Improvement, and in order to initiate the construction cost verification process, the Developer shall comply with the requirements as set forth in Sections 7, 14.2 and 14.3 of the Agreement, and the following conditions shall also be satisfied:

- (a) Developer shall have completed the construction of all TUMF Improvements in accordance with the approved Plans and Specifications.
- (b) Developer shall have satisfied the AGENCY’s inspection punch list.
- (c) After final inspection and approval of the completed TUMF Improvements, the AGENCY shall have provided the Developer a final inspection release letter.

(d) AGENCY shall have filed a Notice of Completion with respect to the TUMF Improvements pursuant to Section 3093 of the Civil Code with the County Recorder's Office, and provided a copy of filed Notice of Completion to WRCOG.

(e) Developer shall have provided AGENCY a copy of the As-Built plans for the TUMF Improvements.

(f) Developer shall have provided AGENCY copies of all permits or agreements that may have been required by various resource/regulatory agencies for construction, operation and maintenance of any TUMF Improvements.

(g) Developer shall have submitted a documentation package to the AGENCY to determine the final cost of the TUMF Improvements, which shall include at a minimum, the following documents related to the TUMF Improvements:

(i) Plans, specifications, and Developer's Civil Engineer's cost estimates; or Engineer's Report showing the cost estimates.

(ii) If DEVELOPER is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvements. Only actual, documented and reasonable costs directly related to the TUMF Improvements will be considered. Costs should be documented as specified below.

(iii) Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.

(iv) Contracts/agreements, insurance certificates and change orders with each vendor or contractor.

(v) Invoices from all contractors, consultants, service providers and vendors.

(vi) Copies of cancelled checks, front and back, for payments made to contractors, consultants, service providers and vendors.

(vii) Final lien releases from each contractor and vendor (unconditional waiver and release).

(viii) Certified contract workers payroll for AGENCY verification of compliance with prevailing wages.

(ix) A total cost summary, in spreadsheet format (MS Excel is preferred) and on disk, showing a breakdown of the total costs incurred. The summary should include for each item claimed the check number, cost, invoice numbers, and name of payee. See

attached sample for details. [ATTACH SAMPLE, IF APPLICABLE; OTHERWISE DELETE
REFERENCE TO ATTACHED SAMPLE

EXHIBIT "F"

RECONCILIATION **EXAMPLES**

All examples are based on a single family residential development project of 200 dwelling units:
200 SF dwelling units @ \$6,650 / dwelling unit = \$1,330,000 in fees (TUMF Obligation)

Example A: "TUMF BALANCE"

CREDIT

TUMF Obligation:	\$1,330,000	
Estimated Credit: Bid (\$1,500,000) or unit Cost Assumption (\$1,600,000) whichever is less		<u>\$1,500,000</u>
Potential Reimbursement:	(\$170,000)	

RECONCILIATION

TUMF Obligation:	\$1,330,000	
Actual Credit:	<u>\$1,200,000</u>	
TUMF Balance (Payment to TUMF):		\$130,000

Example B: "REIMBURSEMENT"

CREDIT

TUMF Obligation:	\$1,330,000	
Estimated Credit: Bid (\$1,500,000) or unit Cost Assumption (\$1,600,000) whichever is less		<u>\$1,500,000</u>
Potential Reimbursement:	(\$170,000)	

RECONCILIATION

TUMF Obligation:	\$1,330,000	
Actual Credit:	<u>\$1,500,000</u>	
Reimbursement Agreement with Developer (Based on Priority Ranking):		(\$170,000)

Example C: "TUMF OVERPAYMENT"

CREDIT

TUMF Obligation:	\$1,330,000	
Estimated Credit: Bid (\$1,200,000) or unit Cost Assumption (\$1,500,000) whichever is less		<u>\$1,200,000</u>
Remaining TUMF Obligation:	\$130,000	
Prorated Fee: \$130,000 / 200 du =	\$650 / du	

RECONCILIATION

Actual Credit:	\$1,300,000	
TUMF payments from Developer (\$650 per unit x 200 units)		<u>\$130,000</u>
Actual Credit plus TUMF Payment	\$1,430,000	
TUMF Obligation:	\$1,330,000	
Actual Credit plus TUMF Payment	\$1,430,000	

TUMF Overpayment (Refund to Developer):	(\$100,000)
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Attachment

TUMF Improvement and
Credit Liability Agreement –
WRCOG, Pulte Homes LLC.,
and City of Menifee – Goetz
Road

IMPROVEMENT AND CREDIT / REIMBURSEMENT AGREEMENT TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM

This **IMPROVEMENT AND CREDIT AGREEMENT** ("Agreement") is entered into this ____ day of _____, 2023, (the "Effective Date") by and between the City of Menifee a California municipal corporation ("AGENCY"), the Western Riverside Council of Governments, a joint powers Agency, ("WRCOG") and Pulte Home Company, a Michigan limited liability company, with its principal place of business at 27401 Los Altos, Suite 400, Mission Viejo, CA 92691 ("Developer"). AGENCY and Developer are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

WHEREAS, Developer owns approximately 240 acres of real property located within the AGENCY, which is more specifically described in the legal description set forth in Exhibit "A", attached hereto and incorporated herein by this reference ("Property");

WHEREAS, Developer has requested from AGENCY certain entitlements and/or permits for the construction of improvements on the Property, which are more particularly described as 756 single family residential units within Tract No. 36658 ("Project");

WHEREAS, the AGENCY is a member agency of WRCOG, a joint powers agency comprised of the County of Riverside and 18 cities located in Western Riverside County. WRCOG is the administrator for the Transportation Uniform Mitigation Fee ("TUMF") Program;

WHEREAS, as part of the TUMF Program, the AGENCY has adopted "Transportation Uniform Mitigation Fee Nexus Study. 2016 Update" ("2016 Nexus Study");

WHEREAS, as a condition to AGENCY's approval of the Project, AGENCY has required Developer to construct certain street and transportation system improvement(s) of regional importance ("TUMF Improvements");

WHEREAS, pursuant to the TUMF Program, the AGENCY requires Developer to pay the TUMF which covers the Developer's fair share of the costs to deliver those TUMF Improvements that help mitigate the Project's traffic impacts and burdens on the Regional System of Highways and Arterials (also known as the "TUMF Network"), generated by the Project and that are necessary to protect the safety, health and welfare of persons that travel to and from the Project using the TUMF Network;

WHEREAS, the TUMF Improvements have been designated as having Regional or Zonal Significance as further described in the 2016 Nexus Study and the 5 year Transportation Improvement Program as may be amended;

WHEREAS, AGENCY, WRCOG and Developer now desire to enter into this Agreement for the following purposes: (1) to provide for the timely delivery of the TUMF Improvements, (2) to ensure that delivery of the TUMF Improvements is undertaken as if the TUMF Improvements were constructed under the direction and authority of the AGENCY, (3) to provide a means by which the Developer's costs for project delivery of the TUMF Improvements and

related right-of-way is offset against Developer's obligation to pay the applicable TUMF for the Project in accordance with the TUMF Administrative Plan adopted by WRCOG, and (4) to provide a means, subject to the separate approval of WRCOG, for Developer to be reimbursed to the extent the actual and authorized costs for the delivery of the TUMF Improvements exceeds Developer's TUMF obligation.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, Developer and AGENCY hereby agree as follows:

TERMS

1.0 **Incorporation of Recitals.** The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 **Construction of TUMF Improvements.** Developer shall construct or have constructed at its own cost, expense, and liability certain street and transportation system improvements generally described as Right-of Way dedication and construction of one (1) northbound Goetz Road TUMF lane and one (1) southbound Goetz Road TUMF lane beginning south of Thornton Avenue and ending north of McLaughlin Road, and as shown more specifically on the plans, profiles, and specifications which have been or will be prepared by or on behalf of Developer and approved by AGENCY, and which are incorporated herein by this reference ("TUMF Improvements"). Construction of the TUMF Improvements shall include any transitions and/or other incidental work deemed necessary for drainage or public safety. Developer shall be responsible for the replacement, relocation, or removal of any component of any existing public or private improvement in conflict with the construction or installation of the TUMF Improvements. Such replacement, relocation, or removal shall be performed to the complete satisfaction of AGENCY and the owner of such improvement. Developer further promises and agrees to provide all equipment, tools, materials, labor, tests, design work, and engineering services necessary to fully and adequately complete the TUMF Improvements.

2.1 **Pre-approval of Plans and Specifications.** Developer is prohibited from commencing work on any portion of the TUMF Improvements until all plans and specifications for the TUMF Improvements have been submitted to and approved by AGENCY. Approval by AGENCY shall not relieve Developer from ensuring that all TUMF Improvements conform with all other requirements and standards set forth in this Agreement.

2.2 **Permits and Notices.** Prior to commencing any work, Developer shall, at its sole cost, expense, and liability, obtain all necessary permits and licenses and give all necessary and incidental notices required for the lawful construction of the TUMF Improvements and performance of Developer's obligations under this Agreement. Developer shall conduct the work in full compliance with the regulations, rules, and other requirements contained in any permit or license issued to Developer.

2.3 **Public Works Requirements.** In order to insure that the TUMF Improvements will be constructed as if they had been constructed under the direction and supervision, or under the

authority of, AGENCY, Developer shall comply with all of the following requirements with respect to the construction of the TUMF Improvements:

(a) Developer shall obtain bids for the construction of the TUMF Improvements, in conformance with the standard procedures and requirements of AGENCY with respect to its public works projects, or in a manner which is approved by the Public Works Department.

(b) The contract or contracts for the construction of the TUMF Improvements shall be awarded to the responsible bidder(s) submitting the lowest responsive bid(s) for the construction of the TUMF Improvements.

(c) Developer shall require, and the specifications and bid and contract documents shall require, all such contractors to pay prevailing wages (in accordance with Articles 1 and 2 of Chapter 1, Part 7, Division 2 of the Labor Code) and to otherwise comply with applicable provisions of the Labor Code, the Government Code and the Public Contract Code relating to public works projects of cities/counties and as required by the procedures and standards of AGENCY with respect to the construction of its public works projects or as otherwise directed by the Public Works Department.

(d) All such contractors shall be required to provide proof of insurance coverage throughout the term of the construction of the TUMF Improvements which they will construct in conformance with AGENCY's standard procedures and requirements.

(e) Developer and all such contractors shall comply with such other requirements relating to the construction of the TUMF Improvements which AGENCY may impose by written notification delivered to Developer and each such contractor at any time, either prior to the receipt of bids by Developer for the construction of the TUMF Improvements, or, to the extent required as a result of changes in applicable laws, during the progress of construction thereof.

Developer shall provide proof to AGENCY, at such intervals and in such form as AGENCY may require that the foregoing requirements have been satisfied as to the TUMF Improvements.

2.4 Quality of Work; Compliance With Laws and Codes. The construction plans and specifications for the TUMF Improvements shall be prepared in accordance with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements. The TUMF Improvements shall be completed in accordance with all approved maps, plans, specifications, standard drawings, and special amendments thereto on file with AGENCY, as well as all applicable federal, state, and local laws, ordinances, regulations, codes, standards, and other requirements applicable at the time work is actually commenced.

2.5 Standard of Performance. Developer and its contractors, if any, shall perform all work required, constructing the TUMF Improvements in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Developer represents and maintains that it or its contractors shall be skilled in the professional calling necessary to perform the work. Developer warrants that

all of its employees and contractors shall have sufficient skill and experience to perform the work assigned to them, and that they shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the work, and that such licenses, permits, qualifications and approvals shall be maintained throughout the term of this Agreement.

2.6 Alterations to TUMF Improvements. All work shall be done and the TUMF Improvements completed as shown on approved plans and specifications, and any subsequent alterations thereto. If during the course of construction and installation it is determined that the public interest requires alterations in the TUMF Improvements, Developer shall undertake such design and construction changes as may be reasonably required by AGENCY. Any and all alterations in the plans and specifications and the TUMF Improvements to be completed may be accomplished without first giving prior notice thereof to Developer's surety for this Agreement.

3.0 Maintenance of TUMF Improvements. AGENCY shall not be responsible or liable for the maintenance or care of the TUMF Improvements until AGENCY approves and accepts them. AGENCY shall exercise no control over the TUMF Improvements until accepted. Any use by any person of the TUMF Improvements, or any portion thereof, shall be at the sole and exclusive risk of Developer at all times prior to AGENCY's acceptance of the TUMF Improvements. Developer shall maintain all of the TUMF Improvements in a state of good repair until they are completed by Developer and approved and accepted by AGENCY, and until the security for the performance of this Agreement is released. It shall be Developer's responsibility to initiate all maintenance work, but if it shall fail to do so, it shall promptly perform such maintenance work when notified to do so by AGENCY. If Developer fails to properly prosecute its maintenance obligation under this section, AGENCY may do all work necessary for such maintenance and the cost thereof shall be the responsibility of Developer and its surety under this Agreement. AGENCY shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the TUMF Improvements or their condition prior to acceptance. In no event shall WRCOG be responsible for the maintenance, operation or care of the TUMF Improvements

4.0 Fees and Charges. Developer shall, at its sole cost, expense, and liability, pay all fees, charges, and taxes arising out of the construction of the TUMF Improvements, including, but not limited to, all plan check, design review, engineering, inspection, sewer treatment connection fees, and other service or impact fees established by AGENCY.

5.0 AGENCY Inspection of TUMF Improvements. Developer shall, at its sole cost, expense, and liability, and at all times during construction of the TUMF Improvements, maintain reasonable and safe facilities and provide safe access for inspection by AGENCY of the TUMF Improvements and areas where construction of the TUMF Improvements is occurring or will occur.

6.0 Liens. Upon the expiration of the time for the recording of claims of liens as prescribed by Sections 8412 and 8414 of the Civil Code with respect to the TUMF Improvements, Developer shall provide to AGENCY such evidence or proof as AGENCY shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment to the construction of the TUMF Improvements, have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation. Rather than await the expiration of the said time for the recording of claims of liens, Developer may elect to provide to AGENCY a title insurance

policy or other security acceptable to AGENCY guaranteeing that no such claims of liens will be recorded or become a lien upon any of the Property.

7.0 Acceptance of TUMF Improvements; As-Built or Record Drawings. If the TUMF Improvements are properly completed by Developer and approved by AGENCY, and if they comply with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements, AGENCY shall be authorized to accept the TUMF Improvements. AGENCY may, in its sole and absolute discretion, accept fully completed portions of the TUMF Improvements prior to such time as all of the TUMF Improvements are complete, which shall not release or modify Developer's obligation to complete the remainder of the TUMF Improvements. Upon the total or partial acceptance of the TUMF Improvements by AGENCY, Developer shall file with the Recorder's Office of the County of Riverside a notice of completion for the accepted TUMF Improvements in accordance with California Civil Code sections 8182, 8184, 9204, and 9208 ("Notice of Completion"), at which time the accepted TUMF Improvements shall become the sole and exclusive property of AGENCY without any payment therefor. Notwithstanding the foregoing, AGENCY may not accept any TUMF Improvements unless and until Developer provides one (1) set of "as-built" or record drawings or plans to the AGENCY for all such TUMF Improvements. The drawings shall be certified and shall reflect the condition of the TUMF Improvements as constructed, with all changes incorporated therein.

8.0 Warranty and Guarantee. Developer hereby warrants and guarantees all the TUMF Improvements against any defective work or labor done, or defective materials furnished in the performance of this Agreement, including the maintenance of the TUMF Improvements, for a period of one (1) year following completion of the work and acceptance by AGENCY ("Warranty"). During the Warranty, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the TUMF Improvements, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of AGENCY, and to the approval of AGENCY. All repairs, replacements, or reconstruction during the Warranty shall be at the sole cost, expense, and liability of Developer and its surety. As to any TUMF Improvements which have been repaired, replaced, or reconstructed during the Warranty, Developer and its surety hereby agree to extend the Warranty for an additional one (1) year period following AGENCY's acceptance of the repaired, replaced, or reconstructed TUMF Improvements. Nothing herein shall relieve Developer from any other liability it may have under federal, state, or local law to repair, replace, or reconstruct any TUMF Improvement following expiration of the Warranty or any extension thereof. Developer's warranty obligation under this section shall survive the expiration or termination of this Agreement.

9.0 Administrative Costs. If Developer fails to construct and install all or any part of the TUMF Improvements, or if Developer fails to comply with any other obligation contained herein, Developer and its surety shall be jointly and severally liable to AGENCY for all administrative expenses, fees, and costs, including reasonable attorney's fees and costs, incurred in obtaining compliance with this Agreement or in processing any legal action or for any other remedies permitted by law.

10.0 Default; Notice; Remedies.

10.1 Notice. If Developer neglects, refuses, or fails to fulfill or timely complete any obligation, term, or condition of this Agreement, or if AGENCY determines there is a violation of any federal, state, or local law, ordinance, regulation, code, standard, or other requirement, AGENCY may at any time thereafter declare Developer to be in default or violation of this Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation ("Notice"). Developer shall substantially commence the work required to remedy the default or violation within five (5) days of the Notice. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, AGENCY may provide the Notice verbally, and Developer shall substantially commence the required work within twenty-four (24) hours thereof. Immediately upon AGENCY's issuance of the Notice, Developer and its surety shall be liable to AGENCY for all costs of construction and installation of the TUMF Improvements and all other administrative costs or expenses as provided for in this Section 10.0 of this Agreement.

10.2 Failure to Remedy; AGENCY Action. If the work required to remedy the noticed default or violation is not diligently prosecuted to a completion acceptable to AGENCY within the time frame contained in the Notice, AGENCY may complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity as in its sole and absolute discretion it believes is required to remedy the default or violation. All such work or remedial activity shall be at the sole and absolute cost, expense, and liability of Developer and its surety, without the necessity of giving any further notice to Developer or surety. AGENCY's right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any of the TUMF Improvements at the time of AGENCY's demand for performance. In the event AGENCY elects to complete or arrange for completion of the remaining work and the TUMF Improvements, AGENCY may require all work by Developer or its surety to cease in order to allow adequate coordination by AGENCY.

10.3 Other Remedies. No action by AGENCY pursuant to Section 10.0 of this Agreement shall prohibit AGENCY from exercising any other right or pursuing any other legal or equitable remedy available under this Agreement or any federal, state, or local law. AGENCY may exercise its rights and remedies independently or cumulatively, and AGENCY may pursue inconsistent remedies. AGENCY may institute an action for damages, injunctive relief, or specific performance.

11.0 Security; Surety Bonds. Prior to the commencement of any work on the TUMF Improvements, Developer or its contractor shall provide AGENCY with surety bonds in the amounts and under the terms set forth below ("Security"). The amount of the Security shall be based on the estimated actual costs to construct the TUMF Improvements, as determined by AGENCY after Developer has awarded a contract for construction of the TUMF Improvements to the lowest responsive and responsible bidder in accordance with this Agreement ("Estimated Costs"). If AGENCY determines, in its sole and absolute discretion, that the Estimated Costs have changed, Developer or its contractor shall adjust the Security in the amount requested by AGENCY. Developer's compliance with this Section 11.0 et seq. of this Agreement shall in no way limit or modify Developer's indemnification obligation provided in Section 12.0 of this Agreement.

11.1 Performance Bond. To guarantee the faithful performance of the TUMF Improvements and all the provisions of this Agreement, to protect AGENCY if Developer is in default as set forth in Section 10.0 et seq. of this Agreement, and to secure the one-year guarantee and warranty of the TUMF Improvements, Developer or its contractor shall provide AGENCY a faithful performance bond in an amount which sum shall be not less than one hundred percent (100%) of the Estimated Costs. The AGENCY may, in its sole and absolute discretion, partially release a portion or portions of the security provided under this section as the TUMF Improvements are accepted by AGENCY, provided that Developer is not in default on any provision of this Agreement and the total remaining security is not less than ten (10 %) of the Estimated Costs. All security provided under this section shall be released at the end of the Warranty period, or any extension thereof as provided in Section 11.0 of this Agreement, provided that Developer is not in default on any provision of this Agreement.

11.2 Labor & Material Bond. To secure payment to the contractors, subcontractors, laborers, materialmen, and other persons furnishing labor, materials, or equipment for performance of the TUMF Improvements and this Agreement, Developer or its contractor shall provide AGENCY a labor and materials bond in an amount which sum shall not be less than one hundred percent (100%) of the Estimated Costs. The security provided under this section may be released by written authorization of AGENCY after six (6) months from the date AGENCY accepts the TUMF Improvements. The amount of such security shall be reduced by the total of all stop notice or mechanic's lien claims of which AGENCY is aware, plus an amount equal to twenty percent (20%) of such claims for reimbursement of AGENCY's anticipated administrative and legal expenses arising out of such claims.

11.3 Additional Requirements. The surety for any surety bonds provided as Security shall have a current A.M. Best rating of at least "A" and FSC-VIII, shall be licensed to do business in California, and shall be satisfactory to AGENCY. As part of the obligation secured by the Security and in addition to the face amount of the Security, Developer, its contractor or the surety shall secure the costs and reasonable expenses and fees, including reasonable attorney's fees and costs, incurred by AGENCY in enforcing the obligations of this Agreement. Developer, its contractor and the surety shall stipulate and agree that no change, extension of time, alteration, or addition to the terms of this Agreement, the TUMF Improvements, or the plans and specifications for the TUMF Improvements shall in any way affect its obligation on the Security.

11.4 Evidence and Incorporation of Security. Evidence of the Security shall be provided on the forms set forth in Exhibit "B", unless other forms are deemed acceptable by the AGENCY, and when such forms are completed to the satisfaction of AGENCY, the forms and evidence of the Security shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

12.0 Indemnification. Developer shall defend, indemnify, and hold harmless AGENCY, the Western Riverside Council of Governments (WRCOG), their elected officials, board members, employees, and agents from any and all actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state, or local governmental agency, arising out of or incident to any acts, omissions, negligence, or willful misconduct of Developer, its employees, contractors, or agents in connection with the performance of this Agreement, or

arising out of or in any way related to or caused by the TUMF Improvements or their condition prior to AGENCY's approval and acceptance of the TUMF Improvements ("Claims"). This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorney fees, and related costs or expenses, and the reimbursement of AGENCY, WRCOG, their elected officials, board members, employees, and/or agents for all legal expenses and costs incurred by each of them. This indemnification excludes only such portion of any Claim which is caused solely and exclusively by the negligence or willful misconduct of AGENCY as determined by a court or administrative body of competent jurisdiction. Developer's obligation to indemnify shall survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by AGENCY, WRCOG, their elected officials, board members, employees, or agents.

13.0 Insurance.

13.1 Types; Amounts. Developer shall procure and maintain, and shall require its contractors to procure and maintain, during performance of this Agreement, insurance of the types and in the amounts described below ("Required Insurance"). If any of the Required Insurance contains a general aggregate limit, such insurance shall apply separately to this Agreement or be no less than two times the specified occurrence limit.

13.1.1 General Liability. Occurrence form general liability insurance at least as broad as Insurance Services Office Form CG 00 01, or equivalent form, with an occurrence limit of Two Million Dollars (\$2,000,000) and aggregate limit of Four Million Dollars (\$4,000,000) for bodily injury, personal injury, and property damage.

13.1.2 Business Automobile Liability. Business automobile liability insurance at least as broad as Insurance Services Office Form CA 00 01 (coverage symbol 1 – any auto), or equivalent form, with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance shall include coverage for the ownership, operation, maintenance, use, loading, or unloading of any auto owned, leased, hired, or borrowed by the insured or for which the insured is responsible.

13.1.3 Workers' Compensation. Workers' compensation insurance with limits as required by the Labor Code of the State of California and employers' liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence, at all times during which insured retains employees.

13.1.4 Professional Liability. For any consultant or other professional who will engineer or design the TUMF Improvements, liability insurance for errors and omissions with limits not less than Two Million Dollars (\$2,000,000) per occurrence, shall be procured and maintained for a period of five (5) years following completion of the TUMF Improvements. Such insurance shall be endorsed to include contractual liability.

13.2 Deductibles. Any deductibles or self-insured retentions must be declared to and approved by AGENCY. At the option of AGENCY, either: (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects AGENCY, its elected officials, officers, employees, agents, and volunteers; or (b) Developer and its contractors shall provide a financial

guarantee satisfactory to AGENCY guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses

13.3 Additional Insured, Separation of Insureds. The Required Insurance, except for the professional liability and workers' compensation insurance, shall name AGENCY, WRCOG, their elected officials, board members, officers, employees, and agents as additional insureds with respect to work performed by or on behalf of Developer or its contractors, including any materials, parts, or equipment furnished in connection therewith. For Required Insurance provided by Developer's contractors, WRCOG shall be added as an additional insured using ISO CG 2038 or an exact equivalent. The Required Insurance shall contain standard separation of insureds provisions, and shall contain no special limitations on the scope of its protection to AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents.

13.4 Primary Insurance; Waiver of Subrogation. The Required Insurance, except for the professional liability and workers' compensation insurance shall be primary with respect to any insurance or self-insurance programs covering AGENCY, WRCOG, their elected officials, board members, officers, employees, or agents. The Required Insurance, except for the professional liability insurance, shall provide that the insurance company waives all right of recovery by way of subrogation against AGENCY and WRCOG in connection with any damage or harm covered by such policy.

13.5 Certificates; Verification. Developer and its contractors shall furnish AGENCY with original certificates of insurance and endorsements effecting coverage for the Required Insurance. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by AGENCY before work pursuant to this Agreement can begin. AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time

13.6 Term Cancellation Notice Developer and its contractors shall maintain the Required Insurance for the term of this Agreement and shall replace any certificate, policy, or endorsement which will expire prior to that date. All policies shall be endorsed to provide that the Required Insurance shall not be suspended, voided, reduced, canceled, or allowed to expire except on thirty (30) days' prior written notice to AGENCY. If such notice of cancellation endorsements are unavailable, Developer shall provide such thirty (30) days' written notice of cancellation.

13.7 Insurer Rating. Unless approved in writing by AGENCY, all Required Insurance shall be placed with insurers licensed to do business in the State of California and with a current A.M. Best rating of at least "A" and FSC-VIII.

14.0 TUMF Credit.

14.1 Developer TUMF Obligation Developer hereby agrees and accepts that as of the date of this Agreement, the amount Developer is obligated to pay to AGENCY pursuant to Ordinance No. 21799 as part of the TUMF Program is **SEVEN MILLION SIX HUNDRED AND THIRTY EIGHT THOUSAND SIX HUNDRED AND TWENTY-FOUR DOLLARS (\$7,638,624)** ("TUMF Obligation"). This TUMF Obligation shall be initially determined under

the TUMF fee schedule in effect for the AGENCY at the time the Developer submits a building permit application for the TUMF Improvement. Notwithstanding, this TUMF Obligation does not have to be paid until the Certificate of Occupancy is obtained.

14.2 Fee Adjustments. Notwithstanding the foregoing, Developer agrees that this Agreement shall not estop AGENCY from adjusting the TUMF in accordance with the provisions of Ordinance No. 2017-229.

14.3 Credit Offset Against TUMF Obligation. Pursuant to Ordinance No. 2017-229 and in consideration for Developer's obligation under this Agreement for the delivery of TUMF Improvements, credit shall be applied by AGENCY to offset the TUMF Obligation ("Credit") subject to adjustment and reconciliation under Section 14.5 of this agreement. Developer hereby agrees that the amount of the Credit shall be applied after Developer has initiated the process of project delivery of TUMF Improvements to the lowest responsible bidder in accordance with this Agreement. Developer further agrees that the dollar amount of the Credit shall be equal to the lesser of: (A) the bid amount set forth in the contract awarded to the lowest responsible bidder, or (B) the unit cost assumptions for the TUMF Improvement in effect at the time of the contract award, as such assumptions are identified and determined in the most recent TUMF Nexus Study and the TUMF Administrative Plan adopted by WRCOG ("Unit Cost Assumptions").

The bid amount and the Unit Cost Assumptions shall hereafter be collectively referred to as "Estimated Credit". At no time will the Credit exceed the Developer's TUMF Obligation. If the dollar amount of the Estimated Credit exceeds the dollar amount of the TUMF Obligation, Developer will be deemed to have completely satisfied its TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. If the dollar amount of the Estimated Credit is less than the dollar amount of the TUMF Obligation, the Developer agrees the Credit shall be applied to offset the TUMF Obligation as follows:

(i) For residential units in the Project, the Credit shall be applied to all residential units to offset and/or satisfy the TUMF Obligation. The residential units for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to each unit, shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

(ii) For commercial and industrial structures in the Project, the Credit shall be applied to all commercial and industrial development to offset and/or satisfy the TUMF Obligation. The commercial or industrial structure(s) for which the TUMF Obligation has been offset and/or satisfied by use of the Credit, and the amount of offset applicable to such structure(s), shall be identified in the notice provided to the Developer by AGENCY pursuant to this section.

AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section, including how the Credit is applied to offset the TUMF Obligation as described above.

14.4 Verified Cost of the TUMF Improvements. Upon recordation of the Notice of Completion for the TUMF Improvements and acceptance of the TUMF Improvements by AGENCY, Developer shall submit to the AGENCY Public Works Director the information set forth in the attached Exhibit "C". The AGENCY Public Works Director, or his or her designee, shall use the information provided by Developer to calculate the total actual costs incurred by Developer in delivering the TUMF Improvements covered under this Agreement ("Verified Costs"). The AGENCY Public Works Director will use his or her best efforts to determine the amount of the Verified Costs and provide Developer written notice thereof within thirty (30) calendar days of receipt of all the required information from Developer. The Agency may request that WRCOG calculate the amount of the Verified Cost. In this case, the AGENCY shall provide WRCOG written notice and all necessary documentation and allow WRCOG fifteen (15) days to determine costs. Agency will notify the Developer within the previous thirty (30) day deadline

14.5 Reconciliation; Final Credit Offset Against TUMF Obligation. The Developer is aware of and accepts the fact that Credits are speculative and conceptual in nature. The actual amount of Credit that shall be applied by AGENCY to offset the TUMF Obligation shall be equal to the lesser of: (A) the Verified Costs or (B) Unit Cost Assumptions for the TUMF Improvements as determined in accordance with Section 14.3 of this Agreement ("Actual Credit"). No Actual Credit will be awarded until the Verified Costs are determined through the reconciliation process. Please be advised that while a Developer may use an engineer's estimates in order to estimate Credits for project planning purposes, the Actual Credit awarded will only be determined by the reconciliation process.

(a) **TUMF Balance.** If the dollar amount of the Actual Credit is less than the dollar amount of the TUMF Obligation, the AGENCY Public Works Director shall provide written notice to Developer of the amount of the difference owed ("TUMF Balance") and Developer shall pay the TUMF Balance in accordance with Ordinance No. 2017-229 to fully satisfy the TUMF Obligation (see Exhibit "F" -Example "A").

(b) **TUMF Reimbursement.** If the dollar amount of the Actual Credit exceeds the TUMF Obligation, Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may apply for a reimbursement agreement, to the extent applicable, as provided in Section 14.6 of this Agreement. AGENCY shall provide Developer written notice of the determinations that AGENCY makes pursuant to this section (see Exhibit "F" - Example "B").

(c) **TUMF Overpayment.** If the dollar amount of the Actual Credit exceeds the Estimated Credit, but is less than the TUMF Obligation, but the Actual Credit plus additional monies collected by AGENCY from Developer for the TUMF Obligation exceed the TUMF Obligation ("TUMF Overpayment"), Developer will be deemed to have fully satisfied the TUMF Obligation for the Project and may be entitled to a refund. The AGENCY's Public Works Director shall provide written notice to WR COG and the Developer of the amount of the TUMF Overpayment and AGENCY shall direct WRCOG to refund the Developer in accordance with Ordinance 2017-0229, (see Exhibit "F" -Example C).

14.6 Reimbursement Agreement. If authorized under either Section 14.3 or Section 14.5 Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the Actual Credit exceeds the TUMF Obligation, as determined pursuant to Section 14.3 of this Agreement, Ordinance No. 2017-229 and the TUMF Administrative Plan adopted by WRCOG ("Reimbursement Agreement"). If AGENCY and WRCOG agree to a Reimbursement Agreement with Developer, the Reimbursement Agreement shall be executed on the form set forth in Exhibit "D," and shall contain the terms and conditions set forth therein. The Parties agree that the Reimbursement Agreement shall be subject to all terms and conditions of this Agreement, and that upon execution, an executed copy of the Reimbursement Agreement shall be attached hereto and shall be incorporated herein as a material part of this Agreement as though fully set forth herein.

15.0 Miscellaneous.

15.1 Assignment. Developer may, as set forth herein, assign all or a portion of its rights pursuant to this Agreement to a purchaser of a portion or portions of the Property ("Assignment"). Developer and such purchaser and assignee ("Assignee") shall provide to AGENCY such reasonable proof as it may require that Assignee is the purchaser of such portions of the Property. Any assignment pursuant to this Section shall not be effective unless and until Developer and Assignee have executed an assignment agreement with AGENCY in a form reasonably acceptable to AGENCY, whereby Developer and Assignee agree, except as may be otherwise specifically provided therein, to the following: (1) that Assignee shall receive all or a portion of Developer's rights pursuant to this Agreement, including such credit as is determined to be applicable to the portion of the Property purchased by Assignee pursuant to Section 14.0 et seq. of this Agreement, and (2) that Assignee shall be bound by all applicable provisions of this Agreement.

15.2 Relationship Between the Parties. The Parties hereby mutually agree that this Agreement shall not operate to create the relationship of partnership, joint venture, or agency between or among AGENCY, WRCOG and Developer. Developer's contractors are exclusively and solely under the control and dominion of Developer. Nothing herein shall be deemed to make Developer or its contractors an agent or contractor of AGENCY. This Agreement shall be interpreted and administered in a manner consistent with the TUMF Administrative Plan in effect at the time this Agreement is executed.

15.3 Warranty as to Property Ownership; Authority to Enter Agreement. Developer hereby warrants that it owns fee title to the Property and that it has the legal capacity to enter into this Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority make this Agreement and bind each respective Party.

15.4 Prohibited Interests. Developer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Developer, to solicit or secure this Agreement. Developer also warrants that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Developer, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon the making of this Agreement. For breach of this warranty, AGENCY shall have the right to rescind this Agreement without liability.

15.5 Notices. All notices, demands, invoices, and written communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To AGENCY: City of Menifee
Attn: Public Works Director
29844 Haun Road
Menifee, CA 92586

To WRCOG: Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501
Attention: Executive Director
Telephone: (951) 405-6700
Fax No. (951) 223-9720

To Developer: Pulte Home Company
Attn: Darren Warren
27401 Los Altos, Suite 400
Mission Viejo, CA 92691
Telephone: (949) 330-8544
Fax No. (949) 330-8601

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent; by messenger, as of the date delivered; and by U.S. Mail first class postage prepaid, as of 72 hours after deposit in the U.S. Mail.

15.6 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

15.7 Construction; References; Captions. It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days, or period for performance shall be deemed calendar days and not work days. All references to Developer include all personnel, employees, agents, and contractors of Developer, except as otherwise specified in this Agreement. All references to AGENCY include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

15.8 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

15.9 Termination. This Agreement shall terminate 10 years after the Effective Date, unless extended in writing by the Parties. In addition, this Agreement shall terminate 5 years after the Effective Date in the event that the TUMF Improvements as specified in the Credit Agreement is not commenced within 5 years of the Effective Date.

15.9.1 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual right by custom, estoppel, or otherwise.

15.9.2 Binding Effect. Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

15.9.3 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

15.9.4 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

15.9.5 Consent to Jurisdiction and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Riverside, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, Developer expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

15.9.6 Time is of the Essence. Time is of the essence in this Agreement, and the Parties agree to execute all documents and proceed with due diligence to complete all covenants and conditions.

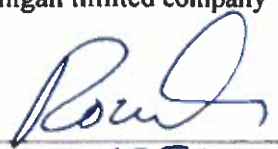
15.9.7 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

15.9.8 Entire Agreement. This Agreement contains the entire agreement between AGENCY and Developer and supersedes any prior oral or written statements or agreements between AGENCY and Developer.

[SIGNATURES OF PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:
PULTE HOME COMPANY, LLC,
a Michigan limited company

By: 

ROBERT PARADISE

Its: V. P. Land Planner + DEV.

Approved to Form:

By: _____

Its: _____

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENT:

By: _____

Its: Executive Director- _____

ATTEST:

By: 

Its: City Clerk

AGENCY:
CITY OF MENIFEE

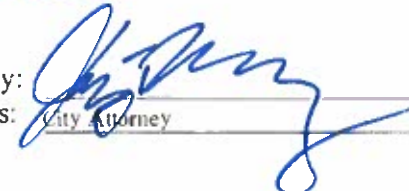
By: 

Its: City Manager

ARMANDO G. VILLA
CITY MANAGER
CITY OF MENIFEE

Approved As to Form

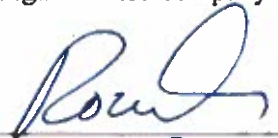
~~ATTEST~~

By: 

Its: City Attorney

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:
PULTE HOME COMPANY, LLC,
a Michigan limited company

By: 

Its: ROBERT PARNIS
V. P. Land Planner + DEV.

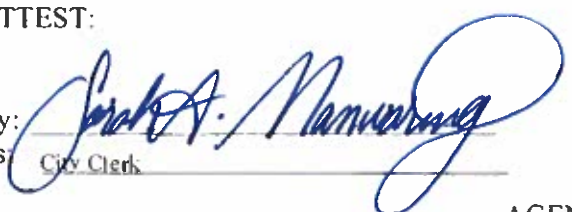
ATTEST:

By: _____
Its: _____

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENT:

By: _____
Its: Executive Director- _____

ATTEST:

By: 
Its: City Clerk

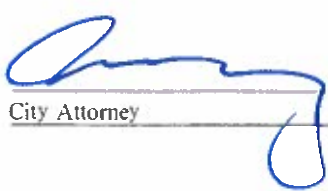
AGENCY:
CITY OF MENIFEE

By: 

Its: City Manager

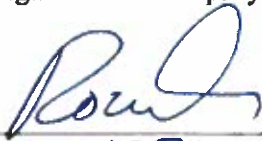
ARMANDO G. VILLA
CITY MANAGER
CITY OF MENIFEE

Approved As to Form
~~ATTEST~~

By: 
Its: City Attorney

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:
PULTE HOME COMPANY, LLC,
a Michigan limited company

By: 
Its: ROBERT PARNODIRE
V. P. Land Planner + DEV.

ATTEST:

By: _____
Its: _____

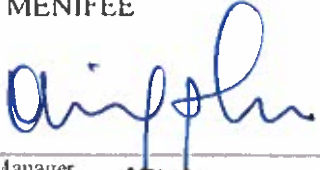
WESTERN RIVERSIDE COUNCIL OF
GOVERNMENT:

By: _____
Its: Executive Director- _____

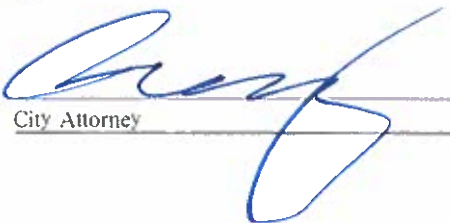
ATTEST:

By: 
Its: City Clerk

AGENCY:
CITY OF MENIFEE

By: 
Its: City Manager **ARMANDO G. VILLA**
CITY MANAGER
CITY OF MENIFEE

Approved As to
Form
~~ATTEST:~~

By: 
Its: City Attorney

**EXHIBIT A
LEGAL DESCRIPTION**

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

PARCELS 1 THROUGH 7 OF PARCEL MAP NO. 36657, IN THE CITY OF MENIFEE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY PARCEL MAP ON FILE IN BOOK 245 PAGES 70 THROUGH 87 OF PARCEL MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, SEPTEMBER 19, 2018.

EXCEPTING A 1/2 INTEREST IN ALL OIL AND MINERAL RIGHTS LOCATED ON SAID PROPERTY, WITH THE RIGHT OF ENTRY ON SAID PREMISES FOR, MINING AND REMOVING SAME, AS RESERVED TN DEED FROM ALICE O. HANSEN AND A. A. HANSEN, RECORDED NOVEMBER 4, 1920 IN BOOK 537 PAGE 292 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

ALSO EXCEPTING 50% OF ALL OIL, GAS, MINERAL, URANIUM AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, AS RESERVED BY RANCH DEVELOPMENT CORPORATION, A CORPORATION. IN DEED RECORDED FEBRUARY 9, 1956 IN BOOK 1860, PAGE 508 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

ALSO EXCEPTING THEREFROM ALL URANIUM, THORIUM AND OTHER FISSIONABLE MATERIALS, ALL OIL, GAS, PETROLEUM, ASPHALTUM, AND OTHER HYDROCARBON SUBSTANCES AND OTHER MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER, WHETHER SIMILAR TO THESE HEREIN SPECIFIED OR NOT, WITHIN OR UNDERLYING, OR WHICH MAY BE PRODUCED FROM THE HEREINBEFORE DESCRIBED LAND, TOGETHER WITH THE RIGHT TO USE THAT PORTION ONLY OF SAID LAND WHICH UNDERLIES A PLANE PARALLEL TO AND FIVE HUNDRED (500) FEET BELOW THE PRESENT SURFACE OF SAID LAND, FOR THE PURPOSE OF PROSPECTING FOR, DEVELOPING AND/OR EXTRACTING SAID URANIUM, THORIUM AND OTHER FISSIONABLE MATERIALS, OIL, GAS, PETROLEUM, ASPHALTUM AND OTHER MINERAL OR HYDROCARBON SUBSTANCES FROM SAID LAND, IT BEING EXPRESSLY UNDERSTOOD AND AGREED THAT SAID SOUTHERN CALIFORNIA EDISON COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL HAVE NO RIGHT TO ENTER UPON THE SURFACE OF SAID LAND OR TO USE SAID LAND OR ANY PORTION THEREOF TO SAID DEPTH OF FIVE HUNDRED (500) FEET FOR ANY PURPOSE WHATSOEVER, AS RESERVED BY SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION, IN DEED RECORDED JUNE 2, 1997, AS INSTRUMENT NO. 193338, OFFICIAL RECORDS.

APN: 335-070-054, 055, 056, 057, 058 AND 335-430-027, 028 AND 330-220-016, 017, 018, 019 AND 330-230-042, 043, 044, 045

EXHIBIT A-2

EXHIBIT "B"

FORMS FOR SECURITY

[ATTACHED BEHIND THIS PAGE]

EXHIBIT B-1

BOND NO. US00124296SU23A
 INITIAL PREMIUM: **\$45,825.00**
 SUBJECT TO RENEWAL

PERFORMANCE BOND

WHEREAS, the City of Menifee ("AGENCY") has executed an agreement with Pulte Home Company, (hereinafter "Developer"), requiring Developer to perform certain work consisting of but not limited to, furnishing all labor, materials, tools, equipment, services, and incidentals for the construction of street and transportation system improvements (hereinafter the "Work");

WHEREAS, the Work to be performed by Developer is more particularly set forth in that certain TUMF Improvement and Credit/Reimbursement Agreement dated _____, (hereinafter the "Agreement"); and

WHEREAS, the Agreement is hereby referred to and incorporated herein by this reference; and

WHEREAS, Developer or its contractor is required by the Agreement to provide a good and sufficient bond for performance of the Agreement, and to guarantee and warranty the Work constructed thereunder.

NOW, THEREFORE, we the undersigned, _____, as Principal and _____, a corporation organized and existing under the laws of the State of _____ and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the AGENCY in the sum of _____ (\$ _____), said sum being not less than one hundred percent (100%) of the total cost of the Work as set forth in the Agreement, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such, that if Developer and its contractors, or their heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, agreements, guarantees, and warranties in the Agreement and any alteration thereof made as therein provided, to be kept and performed at the time and in the manner therein specified and in all respects according to their intent and meaning, and to indemnify and save harmless AGENCY, its officers, employees, and agents, as stipulated in the Agreement, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by AGENCY in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the said Agreement or to the Work to be performed

EXHIBIT B-2

thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the Work.

IN WITNESS WHEREOF, we have hereto set our hands and seals this ____ day on _____, 20__.

Principal

By: _____

President

Surety

By: _____

Attorney-in-Fact

EXHIBIT B-3

BOND NO. US00124296SU23A
 INITIAL PREMIUM: Included in Performance Bond
 SUBJECT TO RENEWAL

LABOR & MATERIAL BOND

WHEREAS, the City of Menifee ("AGENCY") has executed an agreement with Pulte Homes Company, LLC (hereinafter "Developer"), requiring Developer to perform certain work consisting of but not limited to, furnishing all labor, materials, tools, equipment, services, and incidentals for the construction of street and transportation system improvements (hereinafter "Work");

WHEREAS, the Work to be performed by Developer is more particularly set forth in that certain Improvement and Credit / Reimbursement Agreement dated _____, (hereinafter the "Agreement"); and

WHEREAS, Developer or its contractor is required to furnish a bond in connection with the Agreement providing that if Developer or any of his or its contractors shall fail to pay for any materials, provisions, or other supplies, or terms used in, upon, for or about the performance of the Work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the provisions of 3248 of the California Civil Code, with respect to such work or labor, that the Surety on this bond will pay the same together with a reasonable attorney's fee in case suit is brought on the bond.

NOW, THEREFORE, we the undersigned, _____, as Principal and _____, a corporation organized and existing under the laws of the State of _____ and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the AGENCY and to any and all material men, persons, companies or corporations furnishing materials, provisions, and other supplies used in, upon, for or about the performance of the said Work, and all persons, companies or corporations renting or hiring teams, or implements or machinery, for or contributing to said Work to be done, and all persons performing work or labor upon the same and all persons supplying both work and materials as aforesaid, the sum of _____ (\$ _____), said sum being not less than 100% of the total amount payable by Developer under the terms of the Agreement, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Developer or its contractors, or their heirs, executors, administrators, successors, or assigns, shall fail to pay for any materials, provisions, or other supplies or machinery used in, upon, for or about the performance of the Work contracted to be done, or for work or labor thereon of any kind, or fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the contractor and his subcontractors pursuant to Section 13020 of the

Unemployment Insurance Code with respect to such work and labor, and all other applicable laws of the State of California and rules and regulations of its agencies, then said Surety will pay the same in or to an amount not exceeding the sum specified herein.

In case legal action is required to enforce the provisions of this bond, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to court costs, necessary disbursements and other consequential damages. In addition to the provisions hereinabove, it is agreed that this bond will inure to the benefit of any and all persons, companies and corporations entitled to make claims under Sections 8024, 8400, 8402, 8404, 8430, 9100 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the Agreement or to the Work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the Work.

IN WITNESS WHEREOF, we have hereto set our hands and seals this ____ day on _____, 20__.

Principal

By: _____

President

Surety

By: _____

Attorney-in-Fact

EXHIBIT B-7



FAITHFUL PERFORMANCE BOND
CITY OF MENIFEE, STATE OF CALIFORNIA
 (Government Code Section 66499.1)

FOR: Streets and Drainage	\$ 11,831,000	Tract Map	<u>36658 Backbone Phase 1</u>
Riv. Co. Flood Control	\$ 2,614,000	Other Proj. Ref.	<u>IP17-044</u>
Water System	\$ 3,032,500	Bond No.	<u>US00124296SU23A</u>
Rec. Water	\$	Premium	<u>\$ 45,825.00</u>
Sewer System	\$ 852,500		
Total	\$ 18,330,000		

Surety	<u>XL Specialty Insurance Company</u>	Principal	<u>Pulte Home Company, LLC</u>
Address	<u>505 Eagleview Blvd.</u>	Address	<u>27401 Los Altos, Suite 400</u>
City/State	<u>Exton, PA</u>	City/State	<u>Mission Viejo, CA</u>
Zip code	<u>19341</u>	Zip	<u>92691</u>
Phone	<u>630-468-5600</u>	Phone	<u>(949) 330-8600</u>

WHEREAS, the City Council of the City of Menifee, State of California, and **Pulte Home Company, LLC** (hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to tract **36658 Backbone Ph 1**, which agreement(s), dated _____, is/are hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement(s) to furnish bond(s) for the faithful performance of said agreement(s);

NOW, THEREFORE, we the principal and XL Specialty Insurance Company, as surety, are held and firmly bound unto the City of Menifee in the penal sum of **Eighteen Million Three Hundred Thirty Thousand Dollars, (\$ 18,330,000.00)** lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement(s) and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Menifee, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the City of Menifee in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND



The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement(s) or to the work to be performed there under or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement(s) or to the work or to the specifications..

Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code and commencement of construction are not conditions precedent to surety's obligations hereunder and are hereby waived by surety.

When the work covered by the agreement(s) is complete, the City of Menifee will accept the work and thereupon, the amount of the obligation of this bond is reduced by 90% with the remaining 10% held as security for the one-year maintenance period provided for in the agreement(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on March 31, 2023.

NAME OF PRINCIPAL: Pulte Home Company, LLC

AUTHORIZED SIGNATURE(S):

By:

Name:
Title:

[Signature]
Gregory S. Rice
Assistant Treasurer

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: XL Specialty Insurance Company

AUTHORIZED SIGNATURE:

[Signature]
Its Attorney-in-Fact Kelly A. Gardner

Title

(IF CORPORATION, AFFIX SEAL)

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

ACKNOWLEDGEMENT BY PRINCIPAL

STATE OF GEORGIA)

) ss.

COUNTY OF COBB)

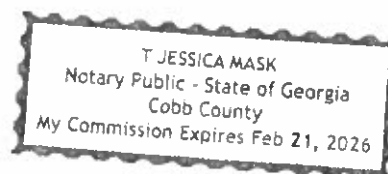
This record was acknowledged before me on March 31, 2023, appeared Gregory S. Rives, Pulte Home Company, LLC, who provided to me on the basis of satisfactory evidence to be the person who appeared before me and is personally known to me.

WITNESS my hand official seal.



Signature of Notary Public

(s
T. JESSICA MASK
Notary Public State of Georgia



My Commission Expires: February 21, 2026

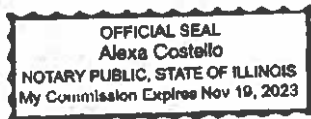
STATE OF ILLINOIS }
COUNTY OF DU PAGE}

On March 31, 2023, before me, Alexa Costello, a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared, Kelly A. Gardner, known to me to be Attorney-in-Fact of XL Specialty Insurance Company the corporation described in and that executed the within and foregoing instrument, and known to me to be the person who executed the said instrument on behalf of the said corporation, and he duly acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year stated in this certificate above.

My Commission Expires November 19, 2023

Alexa Costello
Alexa Costello, Notary Public
Commission No. 904586





Power of Attorney
XL Specialty Insurance Company
XL Reinsurance America Inc.

BOND NUMBER US00124296SU23A
LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That XL Specialty Insurance Company, a Delaware Insurance companies with offices located at 505 Eagleview Blvd., Exton, PA 19341, and XL Reinsurance America Inc., a New York Insurance company with offices located at 70 Seaview Avenue, Stamford, CT 06902, do hereby nominate, constitute, and appoint:

Kelly A. Gardner

each its true and lawful Attorney(s)-in-fact to make, execute, attest, seal and deliver for and on its behalf, as surety, and as its act and deed, where required, any and all bonds and undertakings in the nature thereof, for the penal sum of no one of which is in any event to exceed \$100,000,000.00.

Such bonds and undertakings, when duly executed by the aforesaid Attorney (s) - In - Fact shall be binding upon each said Company as fully and to the same extent as if such bonds and undertakings were signed by the President and Secretary of the Company and sealed with its corporate seal.

The Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Board of Directors of each of the Companies on the 26th day of July 2017.

RESOLVED, that Gary Kaplan, Daniel Riordan, Maria Duhart, Gregory Boal and Kevin Mirsch are hereby appointed by the Board as authorized to make, execute, seal and deliver for and on behalf of the Company, any and all bonds, undertakings, contracts or obligations in surety or co-surety with others and that the Secretary or any Assistant Secretary of the Company be and that each of them hereby is authorized to attest the execution of any such bonds, undertakings, contracts or obligations in surety or co-surety and attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that Gary Kaplan, Daniel Riordan, Maria Duhart, Gregory Boal and Kevin Mirsch each is hereby authorized to execute powers of attorney qualifying the attorney named in the given power of attorney to execute, on behalf of the Company, bonds and undertakings in surety or co-surety with others, and that the Secretary or any Assistant Secretary of the Company be, and that each of them is hereby authorized to attest the execution of any such power of attorney, and to attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that the signature of such officers named in the preceding resolutions and the corporate seal of the Company may be affixed to such powers of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be thereafter valid and binding upon the Company with respect to any bond, undertaking, contract or obligation in surety or co-surety with others to which it is attached.

IN WITNESS WHEREOF, the XL SPECIALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this April 13th, 2018.

XL SPECIALTY INSURANCE COMPANY



by:

Gregory Boal
Gregory Boal, VICE PRESIDENT

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

Attest:

Kevin M. Mirsch
Kevin M. Mirsch, ASSISTANT SECRETARY

On this 13th day of April, 2018, before me personally came Gregory Boal to me known, who, being duly sworn, did depose and say: that he is Vice President of XL SPECIALTY INSURANCE COMPANY, described in and which executed the above instrument; that he knows the seals of said Companies; that the seals affixed to the aforesaid instrument is such corporate seals and were affixed thereto by order and authority of the Boards of Directors of said Companies; and that he executed the said instrument by like order.



Commonwealth of Pennsylvania - Notary Seal
Rebecca C. Shalhoub, Notary Public
Northampton County
My commission expires April 28, 2024
Commission number 1288765
Member, Pennsylvania Association of Notaries

Rebecca C. Shalhoub

Rebecca C. Shalhoub, NOTARY PUBLIC

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

I, Kevin M. Mirsch, Assistant Secretary of XL SPECIALTY INSURANCE COMPANY, a corporation of the State of Delaware, do hereby certify that the above and forgoing is a full, true and correct copy of a Power of Attorney issued by said Companies, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Exton, this 31st day of March, 2023



Kevin M. Mirsch
Kevin M. Mirsch, ASSISTANT SECRETARY

IN WITNESS WHEREOF, XL REINSURANCE AMERICA INC. has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this 13th day of April, 2018.



XL REINSURANCE AMERICA INC.

by:

Gregory Boal
Gregory Boal, VICE PRESIDENT

Attest:

Kevin M. Mirsch
Kevin M. Mirsch, ASSISTANT SECRETARY

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

On this 13th day of April, 2018, before me personally came Gregory Boal to me known, who, being duly sworn, did depose and say: that he is Vice President of XL REINSURANCE AMERICA INC., described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto by order and authority of the Board of Directors of



Commonwealth of Pennsylvania - Notary Seal
Rebecca C. Shalhoub, Notary Public
Northampton County
My commission expires April 28, 2024
Commission number 1268765
Member, Pennsylvania Association of Notaries

Rebecca C. Shalhoub

Rebecca C. Shalhoub, NOTARY PUBLIC

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

I, Kevin M. Mirsch, Assistant Secretary of XL REINSURANCE AMERICA INC. a corporation of the State of New York, do hereby certify that the person who executed this Power of Attorney, with the rights, respectively of XL REINSURANCE AMERICA INC., do hereby certify that the above and forgoing is a full, true and correct copy of a Power of Attorney issued by said Corporation, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole original and that the said Power of Attorney is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Exton, this 31st day of March, 2023



Kevin M. Mirsch

Kevin M. Mirsch, ASSISTANT SECRETARY

This Power of Attorney may not be used to execute any bond with an inception date

4/28/2024 12:00:00AM



MATERIAL AND LABOR BOND
CITY OF MENIFEE, STATE OF CALIFORNIA
 (Government Code Section 66499.2)

FOR: Streets and Drainage \$ 5,915,500
 Flood Control \$ 2,614,000
 Water System \$ 1,516,250
 Sewer System \$ 426,250

Tract/Parcel Map 36658 Backbone Ph1
 Bond No. US00124296SU23A
 Premium \$ Included in performance bond

Surety XL Specialty Insurance Company
 Address 505 Eagleview Blvd.
 City/State Exton, PA
 Zip 19341
 Phone 630-468-5600

Principal Pulte Home Company, LLC
 Address 27401 Los Altos, Suite 400
 City/State Mission Viejo, CA
 Zip 92691
 Phone (949) 330-8600

WHEREAS, the City Council of the City of Menifee, State of California, and Pulte Home Company, LLC, (hereinafter designated as "principal") have entered into, or are about to enter into, the attached agreement(s) whereby principal agrees to install and complete the above designated public improvements relating to tract 36658 Backbone Ph 1, which agreement(s), dated _____, is/are hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement(s), principal is required, before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Menifee to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California;

NOW, THEREFORE, said principal and the undersigned, as corporate surety, are firmly bound unto the City of Menifee and all contractors, subcontractors, laborers, material suppliers, and other persons employed in the performance of the agreement(s) and referred to Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code in the sum of Ten Million Four Hundred Seventy Two Thousand and 00/100 Dollars, (\$10,472,000) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the City of Menifee in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed upon that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

MATERIAL AND LABOR BOND

The surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the agreement(s) or to the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition.

Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to surety's obligations hereunder and are hereby waived by surety.

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on March 31, 2023.

NAME OF PRINCIPAL: Pulte Home Company, LLC

AUTHORIZED SIGNATURE(S):

By:

Name:

Title:

Eugene J. River
Assistant Treasurer

(IF CORPORATION, AFFIX SEAL)

NAME OF SURETY: XL Specialty Insurance Company

AUTHORIZED SIGNATURE:

Kelly A. Gardner
Its Attorney-in-Fact Kelly A. Gardner

Title

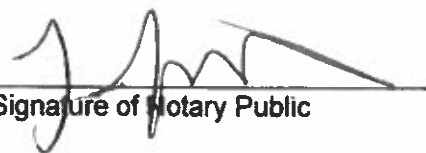
(IF CORPORATION, AFFIX SEAL)

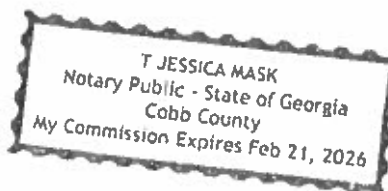
ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURES OF PRINCIPAL AND ATTORNEY-IN-FACT.

ACKNOWLEDGEMENT BY PRINCIPAL**STATE OF GEORGIA)****) ss.****COUNTY OF COBB)**

This record was acknowledged before me on March 31, 2023, appeared Gregory S. Rives, Divosta Homes, LP, who provided to me on the basis of satisfactory evidence to be the person who appeared before me and is personally known to me.

WITNESS my hand official seal.


Signature of Notary Public



(s
T. JESSICA MASK
Notary Public State of Georgia

My Commission Expires: February 21, 2026

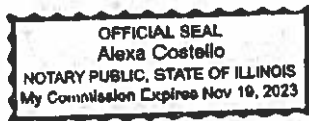
STATE OF ILLINOIS }
COUNTY OF DU PAGE}

On March 31, 2023, before me, Alexa Costello, a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared, Kelly A. Gardner, known to me to be Attorney-in-Fact of XL Specialty Insurance Company the corporation described in and that executed the within and foregoing instrument, and known to me to be the person who executed the said instrument on behalf of the said corporation, and he duly acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year stated in this certificate above.

My Commission Expires November 19, 2023

Alexa Costello
Alexa Costello, Notary Public
Commission No. 904586





Power of Attorney
XL Specialty Insurance Company
XL Reinsurance America Inc.

BOND NUMBER US00124296SU23A
LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That XL Specialty Insurance Company, a Delaware Insurance companies with offices located at 505 Eagleview Blvd., Exton, PA 19341, and XL Reinsurance America Inc., a New York Insurance company with offices located at 70 Seaview Avenue, Stamford, CT 06902, do hereby nominate, constitute, and appoint:

Kelly A. Gardner

each its true and lawful Attorney(s)-in-fact to make, execute, attest, seal and deliver for and on its behalf, as surety, and as its act and deed, where required, any and all bonds and undertakings in the nature thereof, for the penal sum of no one of which is in any event to exceed \$100,000,000.00.

Such bonds and undertakings, when duly executed by the aforesaid Attorney (s) - In - Fact shall be binding upon each said Company as fully and to the same extent as if such bonds and undertakings were signed by the President and Secretary of the Company and sealed with its corporate seal.

The Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Board of Directors of each of the Companies on the 26th day of July 2017.

RESOLVED, that Gary Kaplan, Daniel Riordan, Maria Duhart, Gregory Boal and Kevin Mirsch are hereby appointed by the Board as authorized to make, execute, seal and deliver for and on behalf of the Company, any and all bonds, undertakings, contracts or obligations in surety or co-surety with others and that the Secretary or any Assistant Secretary of the Company be and that each of them hereby is authorized to attest the execution of any such bonds, undertakings, contracts or obligations in surety or co-surety and attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that Gary Kaplan, Daniel Riordan, Maria Duhart, Gregory Boal and Kevin Mirsch each is hereby authorized to execute powers of attorney qualifying the attorney named in the given power of attorney to execute, on behalf of the Company, bonds and undertakings in surety or co-surety with others, and that the Secretary or any Assistant Secretary of the Company be, and that each of them is hereby authorized to attest the execution of any such power of attorney, and to attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that the signature of such officers named in the preceding resolutions and the corporate seal of the Company may be affixed to such powers of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be thereafter valid and binding upon the Company with respect to any bond, undertaking, contract or obligation in surety or co-surety with others to which it is attached.

IN WITNESS WHEREOF, the XL SPECIALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this April 13th, 2018.

XL SPECIALTY INSURANCE COMPANY



by:

Gregory Boal

Gregory Boal, VICE PRESIDENT

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

Attest:

Kevin M. Mirsch

Kevin M. Mirsch, ASSISTANT SECRETARY

On this 13th day of April, 2018, before me personally came Gregory Boal to me known, who, being duly sworn, did depose and say: that he is Vice President of XL SPECIALTY INSURANCE COMPANY, described in and which executed the above instrument; that he knows the seals of said Companies; that the seals affixed to the aforesaid instrument is such corporate seals and were affixed thereto by order and authority of the Boards of Directors of said Companies; and that he executed the said instrument by like order.



Commonwealth of Pennsylvania - Notary Seal
Rebecca C. Shalhoub, Notary Public
Northampton County
My commission expires April 28, 2024
Commission number 1268765

Member, Pennsylvania Association of Notaries

Rebecca C. Shalhoub

Rebecca C. Shalhoub, NOTARY PUBLIC

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

I, Kevin M. Mirsch, Assistant Secretary of XL SPECIALTY INSURANCE COMPANY, a corporation of the State of Delaware, do hereby certify that the above and foregoing is a full, true and correct copy of a Power of Attorney issued by said Companies, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Exton, this 31st day of March, 2023



Kevin M Mirsch
Kevin M. Mirsch, ASSISTANT SECRETARY

IN WITNESS WHEREOF, XL REINSURANCE AMERICA INC. has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this 13th day of April, 2018.



XL REINSURANCE AMERICA INC.

by:

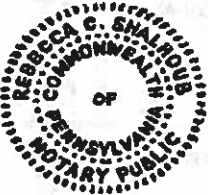
Gregory Boal
Gregory Boal, VICE PRESIDENT

Attest:

Kevin M Mirsch
Kevin M. Mirsch, ASSISTANT SECRETARY

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

On this 13th day of April, 2018, before me personally came Gregory Boal to me known, who, being duly sworn, did depose and say: that he is Vice President of XL REINSURANCE AMERICA INC., described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto by order and authority of the Board of Directors of



Commonwealth of Pennsylvania - Notary Seal
Rebecca C. Shalhoub, Notary Public
Northampton County
My commission expires April 28, 2024
Commission number 1268765
Member, Pennsylvania Association of Notaries

Rebecca C. Shalhoub

Rebecca C. Shalhoub, NOTARY PUBLIC

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

I, Kevin M. Mirsch, Assistant Secretary of XL REINSURANCE AMERICA INC. a corporation of the State of New York, do hereby certify that the person who executed this Power of Attorney, with the rights, respectively of XL REINSURANCE AMERICA INC., do hereby certify that the above and foregoing is a full, true and correct copy of a Power of Attorney issued by said Corporation, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole original and that the said Power of Attorney is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Exton, this 31st day of March, 2023



Kevin M Mirsch

Kevin M. Mirsch, ASSISTANT SECRETARY

This Power of Attorney may not be used to execute any bond with an inception date

4/28/2024 12:00:00AM

SB0042

CITY OF MENIFEE ENGINEERING DEPARTMENT
CONSTRUCTION COST WORKSHEET

Handwritten signature

7-14-2021

PARCEL MAP OR TRACT MAP NO. TR 36658 BACKBONE PHASE 1 DATE: 7/11/2021
IP: 17-044

IMPROVEMENTS	FAITHFUL PERFORMANCE SECURITY (100% of Estimated Construction Costs)		MATERIAL & LABOR SECURITY (**50% of Estimated Construction Costs)
Street/Drainage	\$ 11,219,294.39	\$ 11,219,500.00	\$ 5,609,750.00
*Flood Control	\$ 2,613,785.00	\$ 2,614,000.00	\$ 2,614,000.00
Dom Wtr EMWD	\$ 3,032,416.80	\$ 3,032,500.00	\$ 1,516,250.00
Rec Wtr EMWD	\$ 0.00	\$ 0.00	\$ 0.00
Sewer EMWD	\$ 852,343.20	\$ 852,500.00	\$ 426,250.00
Total	<u>17,717,839.39</u>	<u>\$ 17,718,500.00</u>	<u>\$ 10,166,250.00</u>
Warranty Retention (10%)		<u>\$ 1,771,850.00</u>	

DESIGN ENGINEER'S CALCULATION OF IMPROVEMENT BONDING COSTS

Construction items and their quantities, as shown on the attached sheets, are accurate for the improvements required to construct the above project and the mathematical extensions, using City's unit costs, are accurate for determining bonding costs.

Above amounts do G do not G include additional 20% for recordation prior to having signed plans (Ordinance 460, Section 10.3E).

Handwritten signature
Signature

7/11/2021

Date

Michael Bredecke
Name Typed or printed

83363

RCE#

3/31/2023

Exp. Date



Civil Engineer's Stamp

*Flood Control Construction Cost Estimate to be provided by Flood Control District. Provide a copy of Flood Control District letter stating cost estimate.

***** PLEASE READ INSTRUCTIONS BELOW *****

- Quantities are to be taken from the Improvement Plans. Unit cost are to be as provided on "City of Menifee Improvement Requirement Worksheet."
- Show Performance Bond Amounts to the nearest \$500.00. Material and Labor Bond Amounts are 50% of Performance Bond Amounts. ** 100% for Flood Control items.
- For Construction items not covered by "The City of Menifee Improvement Requirements Worksheet", Design Engineer is to provide his opinion of construction cost and use that cost. If City of Menifee Unit Costs are determined to be too low, in the opinion of the design engineer, the higher costs as provided by the Design Engineer should be used.

CITY OF MENIFEE ENGINEERING DEPARTMENT
IMPROVEMENT REQUIREMENT WORKSHEET
STREET AND DRAINAGE IMPROVEMENTS

Handwritten Signature

7-14-2021

ITEM	QUANTITY	UNIT	UNIT COST	AMOUNT
ROADWAY SECTION 1A Area =		S.F.		
Excavation				
1. Projects with Grading Plan for Roadway Area x 0.50' (hinge point to hinge point)		C.Y.	\$ 25.00	\$ 0.00
2. Projects without a Grading Plan Cut (c) =		C.Y.		
Road area and side slopes to daylight Fill (f) =		C.Y.		
If balance, provide (a.) only, either cut or fill If export, provide (a.) & (b.) a = fill, b = cut - fill If import, provide (a.) & (c), a = cut, c = fill - cut (Unit costs for (a), (b), & (c) are 20% of actual costs to assure that work will be corrected to eliminate hazardous conditions.)				
(a.) Excavate and Fill	-	C.Y.	\$ 0.40	\$ 0.00
(b.) Excavate and Export	-	C.Y.	\$ 1.10	\$ 0.00
(c.) Import and Fill	-	C.Y.	\$ 2.80	\$ 0.00
Asphalt Concrete (144 lbs/cu.ft) Thickness in Feet (4" min.) = 0.33	1,339	TON	\$ 90.00	\$ 120,510.00
Agg Base Class II Thickness in Feet (6" min) = 0.5	1,043	C.Y.	\$ 50.00	\$ 52,150.00
Asphalt Emulsion (Fog Seal/Paint Binder)		Ton	\$ 600.00	\$ 0.00
ROADWAY SECTION 1B Area =		S.F.		
Excavation				
1. Projects with Grading Plan for Roadway Area x 0.50' (hinge point to hinge point)		C.Y.	\$ 25.00	\$ 0.00
2. Projects without a Grading Plan: Cut (c) =		C.Y.		
Road area and side slopes to daylight Fill (f) =		C.Y.		
(a.) Excavate and Fill	-	C.Y.	\$ 0.40	\$ 0.00
(b.) Excavate and Export	-	C.Y.	\$ 1.10	\$ 0.00
(c.) Import and Fill	-	C.Y.	\$ 2.80	\$ 0.00
Asphalt Concrete (144 lbs/cu.ft) Thickness in Feet (5" min.) = 0.42	4,872	TON	\$ 90.00	\$ 438,480.00
Agg Base Class II Thickness in Feet (10.5" min) = 0.875	5,221	C.Y.	\$ 50.00	\$ 261,050.00
Asphalt Emulsion (Fog Seal/Paint Binder)	-	Ton	\$ 600.00	\$ 0.00
ROADWAY SECTION 1C Area =		S.F.		
Excavation				
1. Projects with Grading Plan for Roadway Area x 0.50' (hinge point to hinge point)		C.Y.	\$ 25.00	\$ 0.00
2. Projects without a Grading Plan: Cut (c) =		C.Y.		
Fill (f) =		C.Y.		
(a.) Excavate and Fill	-	C.Y.	\$ 0.40	\$ 0.00
(b.) Excavate and Export	-	C.Y.	\$ 1.10	\$ 0.00
(c.) Import and Fill	-	C.Y.	\$ 2.80	\$ 0.00
Asphalt Concrete (144 lbs/cu.ft) Thickness in Feet (0.6" min.) = 0.5	18,642	TON	\$ 90.00	\$ 1,677,780.00
Agg Base Class II Thickness in Feet (13.5" min) = 1.13	21,671	C.Y.	\$ 50.00	\$ 1,083,550.00
Asphalt Emulsion (Fog Seal/Paint Binder)	-	Ton	\$ 600.00	\$ 0.00
Agg Base Class II (compacted)	5	C.Y.	\$ 50.00	\$ 250.00

10' Wide Decomposed Granite Trail	74033	S.F.	\$	4.00	\$	296,132.00
			\$		\$	0.00
			\$		\$	0.00
			\$		\$	0.00
			\$		\$	0.00
DRAINAGE						
Concrete Bulkhead	4	EA.	\$	200.00	\$	800.00
Slope Anchors for Pipes		EA.	\$	300.00	\$	0.00
Cut Off Wall (Std 2')	16	C.Y.	\$	400.00	\$	6,400.00
A. C. Overside Drain		EA.	\$	500.00	\$	0.00
Under Sidewalk Drain Std 309		EA.	\$	2,000.00	\$	0.00
Flat Outlet Drainage Structure Std 303		EA.	\$	2,000.00	\$	0.00
Curb Outlet Drainage Structure Std 308		EA.	\$	2,000.00	\$	0.00
Terrace Drain & Down Drain		S.F.	\$	6.50	\$	0.00
Interceptor Drain		S.F.	\$	6.50	\$	0.00
R.C. Box Culvert (2 - 3'X5')		C.Y.	\$	400.00	\$	0.00
Concrete Channel		C.Y.	\$	200.00	\$	0.00
Rip Rap (1/4 Ton) Method B (1.9 tons /CY)	30	C.Y.	\$	80.00	\$	2,400.00
Rip Rap (1/2 Ton) Method B		C.Y.	\$	90.00	\$	0.00
Rip Rap (1 Ton) Method B		C.Y.	\$	100.00	\$	0.00
Rip Rap (2 Ton) Method B		C.Y.	\$	110.00	\$	0.00
Grouted Rip Rap (1/4 Ton) Method B		C.Y.	\$	100.00	\$	0.00
Grouted Rip Rap (1/2 Ton) Method B		C.Y.	\$	120.00	\$	0.00
Grouted Rip Rap (1 Ton) Method B		C.Y.	\$	130.00	\$	0.00
Grouted Rip Rap (2 Ton) Method B		C.Y.	\$	140.00	\$	0.00
18" R.C.P. round, arch or elliptical	1990	L.F.	\$	113.00	\$	224,870.00
24" R.C.P. round, arch or elliptical	775	L.F.	\$	132.00	\$	102,300.00
30" R.C.P. round, arch or elliptical	323	L.F.	\$	153.00	\$	49,419.00
36" R.C.P. round, arch or elliptical	1185	L.F.	\$	178.00	\$	210,930.00
42" C.M.P.	87	L.F.	\$	204.00	\$	17,748.00
48" R.C.P. round, arch or elliptical		L.F.	\$	235.00	\$	0.00
18" C.S.P. or HDPE N12		L.F.	\$	40.00	\$	0.00
24" C.S.P. or HDPE N12	331	L.F.	\$	50.00	\$	16,550.00
30" C.S.P. or HDPE N12		L.F.	\$	60.00	\$	0.00
36" C.S.P. or HDPE N12		L.F.	\$	70.00	\$	0.00
42" C.S.P. or HDPE N12	415	L.F.	\$	80.00	\$	33,200.00
60" C.S.P. or HDPE N12	5	L.F.	\$	140.00	\$	700.00
Catch Basin W=4'		EA.	\$	2,500.00	\$	0.00
Catch Basin W=7'		EA.	\$	4,000.00	\$	0.00
Catch Basin W=14'	4	EA.	\$	7,500.00	\$	30,000.00
Catch Basin W=21'	4	EA.	\$	11,000.00	\$	44,000.00
Catch Basin W=28'		EA.	\$	14,500.00	\$	0.00
Inlet Type IX or X	3	EA.	\$	2,500.00	\$	7,500.00
Junction Structure No. 1		EA.	\$	3,500.00	\$	0.00
Junction Structure No. 2	6	EA.	\$	4,500.00	\$	27,000.00
Junction Structure No. 6		EA.	\$	5,000.00	\$	0.00
Transition Structure No. 1		EA.	\$	12,500.00	\$	0.00
Transition Structure No. 2		EA.	\$	12,500.00	\$	0.00
Transition Structure No. 3		EA.	\$	4,500.00	\$	0.00
Manhole No. 1	9	EA.	\$	5,000.00	\$	45,000.00
Manhole No. 2	3	EA.	\$	6,500.00	\$	19,500.00
Manhole No. 3		EA.	\$	2,700.00	\$	0.00
Manhole No. 4	2	EA.	\$	6,500.00	\$	13,000.00
Structural Reinforcement Concrete	11	C.Y.	\$	400.00	\$	4,400.00
Headwall for 36" or smaller storm drain	6	EA.	\$	3,500.00	\$	21,000.00
Concrete Drop Inlet CB110	2	EA.	\$	2,500.00	\$	5,000.00

Concrete Collar	3	EA.	\$	200.00	\$	600.00
6" PVC Drain Pipe	550	L.F.	\$	30.00	\$	16,500.00
18" Brooks Box w/Steel Grate	5	EA.	\$	680.00	\$	3,400.00
Remove Concrete Bulkhead	3	EA.	\$	200.00	\$	600.00
42" C.M.P. Riser W/Debris Screen	3	EA.	\$	2,000.00	\$	6,000.00
			\$		\$	0.00
			\$		\$	0.00
SIGNING, STRIPING AND SIGNALS						
Remove Painted Traffic Stripes and Markings		S.F.	\$	2.50	\$	0.00
4" Painted Solid Stripes		L.F.	\$	0.21	\$	0.00
4" Painted Solid Stripes (2 Coats)	7,330	L.F.	\$	0.30	\$	2,199.00
4" Painted Broken Stripes		L.F.	\$	0.16	\$	0.00
4" Painted Double Solid Stripes		L.F.	\$	0.47	\$	0.00
6" Painted Bike Lane Stripes	26,402	L.F.	\$	0.65	\$	17,161.30
8" Painted Channelizing Line	812	L.F.	\$	0.82	\$	665.84
12" Painted Crosswalk & Limit Line	1,192	L.F.	\$	1.30	\$	1,549.60
Painted One-Way, No Passing		L.F.	\$	0.36	\$	0.00
Painted Two-Way Left Turn Lane		L.F.	\$	0.82	\$	0.00
Painted Pavement Markings	512	S.F.	\$	2.70	\$	1,382.40
Remove Thermoplastic Traffic Stripes and Markings		S.F.	\$	2.50	\$	0.00
4" Thermoplastic Solid Stripes		L.F.	\$	0.52	\$	0.00
4" Thermoplastic Broken Stripes		L.F.	\$	0.47	\$	0.00
4" Thermoplastic Double Solid Stripes		L.F.	\$	0.83	\$	0.00
6" Thermoplastic Bike Lane Stripes		L.F.	\$	0.63	\$	0.00
8" Thermoplastic Channelizing Line		L.F.	\$	0.78	\$	0.00
12" Thermoplastic Crosswalk & Limit Line		L.F.	\$	0.97	\$	0.00
Thermoplastic One-Way, No Passing		L.F.	\$	1.13	\$	0.00
Thermoplastic Two-Way Left Turn Lane		L.F.	\$	2.83	\$	0.00
Thermoplastic Pavement Markings		S.F.	\$	3.61	\$	0.00
Pavement Marking		S.F.	\$	2.25	\$	0.00
Thermoplastic Cross Walk and Pavement Marking		S.F.	\$	3.00	\$	0.00
Remove, Sign, Salvage		EA.	\$	50.00	\$	0.00
Relocate Roadside Sign		EA.	\$	100.00	\$	0.00
Street Name Sign	10	EA.	\$	275.00	\$	2,750.00
Install Sign (Strap and Saddle Bracket Method)	79	EA.	\$	150.00	\$	11,850.00
Install Sign (Mast Arm Hanger Method)		EA.	\$	425.00	\$	0.00
Stop Sign & Post	8	EA.	\$	250.00	\$	2,000.00
Road Sign on existing pole / post (One Post)		EA.	\$	150.00	\$	0.00
Road Sign on existing pole / post (Two Post)		EA.	\$	300.00	\$	0.00
Object Marker - Modified Type "F" Delineator		EA.	\$	60.00	\$	0.00
Delineator (Class 1 Type F)	12	EA.	\$	40.00	\$	480.00
Delineator (Class 2)		EA.	\$	45.00	\$	0.00
Pavement Marker, Reflective		EA.	\$	3.75	\$	0.00
New Traffic Signal & Lighting (Major Intersection)		LS	\$	250,000.00	\$	0.00
New Traffic Signal & Lighting (Minor Intersection)		LS	\$	150,000.00	\$	0.00
Retrofit of Ex. Traffic Signal & Lighting		LS	\$	100,000.00	\$	0.00
6' Round Signal Loops		EA.	\$	450.00	\$	0.00
Install Pull Box (#3-1/2)		EA.	\$	300.00	\$	0.00
Install Pull Box (#5e)		EA.	\$	400.00	\$	0.00
2" PVC Interconnect Conduit & Cable		L.F.	\$	25.00	\$	0.00
39W LED Street Light (Ameron 1C123)	34	E.A.	\$	10,000.00	\$	340,000.00
96W LED Street Light (Ameron 1C128)	72	E.A.	\$	15,000.00	\$	1,080,000.00
Service Pedestal	8	E.A.	\$	5,000.00	\$	40,000.00
Survey		LS	\$	8,000.00	\$	0.00

Design/submittals/review		LS	\$	40,000.00	\$	0.00
Mobilization		LS	\$	30,000.00	\$	0.00
Traffic Control		LS	\$	15,000.00	\$	0.00
	A.	Subtotal			\$	8,765,073.74
	B.	Administrative Contingency (20% x A)			\$	1,753,014.75
	C.	CM - Inspection - LC (8%)			\$	701,205.90
	D.	Streets/Drainage Total (A + B)			\$	11,219,294.39

CITY OF MENIFEE ENGINEERING DEPARTMENT
IMPROVEMENT REQUIREMENT WORKSHEET
DOMESTIC WATER IMPROVEMENTS

ITEM	QUANTITY	UNIT	UNIT COST	AMOUNT
4" Waterline PVC C-900 DR-18		L.F.	\$ 25.00	\$ 0.00
6" Waterline PVC C-900 DR-18		L.F.	\$ 30.00	\$ 0.00
8" Waterline PVC C-900 DR-18	11,477	L.F.	\$ 35.00	\$ 401,695.00
8" Waterline PVC C-900 DR-14	2,819	L.F.	\$ 35.00	\$ 98,665.00
8" Fusable PVC	36	L.F.	\$ 35.00	\$ 1,260.00
8" Dia. DIP, CL-50	54	L.F.	\$ 35.00	\$ 1,890.00
12" Waterline PVC C-900 DR-14	20	L.F.	\$ 55.00	\$ 1,100.00
12" Waterline PVC C-900 DR-18	551	L.F.	\$ 55.00	\$ 30,305.00
18" Fusable PVC	25	L.F.	\$ 135.00	\$ 3,375.00
18" Waterline PVC C-905 DR-14	20	L.F.	\$ 135.00	\$ 2,700.00
18" Waterline PVC C-905 DR-18	6,855	L.F.	\$ 135.00	\$ 925,425.00
18" Dia. CML&C Water Main	59	L.F.	\$ 135.00	\$ 7,965.00
20" Waterline PVC C-905 DR-18		L.F.	\$ 180.00	\$ 0.00
4" Gate Valve RS	4	EA.	\$ 715.00	\$ 2,860.00
6" Gate Valve RS		EA.	\$ 830.00	\$ 0.00
8" Gate Valve RS	67	EA.	\$ 1,340.00	\$ 89,780.00
12" Gate Valve RS	3	EA.	\$ 2,300.00	\$ 6,900.00
16" Gate Valve RS		EA.	\$ 6,270.00	\$ 0.00
18" Gate Valve RS	8	EA.	\$ 14,300.00	\$ 114,400.00
6" Fire Hydrant (Standard)	37	EA.	\$ 4,000.00	\$ 148,000.00
6" Fire Hydrant (Super)		EA.	\$ 4,500.00	\$ 0.00
4" Blowoff		EA.	\$ 3,500.00	\$ 0.00
6" Blowoff/Temp Blowoff	18	EA.	\$ 4,000.00	\$ 72,000.00
1" Air and Vacuum Valve.	7	EA.	\$ 2,400.00	\$ 16,800.00
2" Air and Vacuum Valve.	2	EA.	\$ 4,000.00	\$ 8,000.00
8" pressure regulator	2	EA.	\$ 5,000.00	\$ 10,000.00
1" Service Connection (With Meter)	44	EA.	\$ 800.00	\$ 35,200.00
1" Service Connection (No Meter)	1	EA.	\$ 2,180.00	\$ 2,180.00
1-1/2" Service Connection (No Meter)	1	EA.	\$ 2,480.00	\$ 2,480.00
2" Service Connection (No Meter)	4	EA.	\$ 2,780.00	\$ 11,120.00
4" Service Connection (No Meter)	4	EA.	\$ 4,500.00	\$ 18,000.00
Adjust Water Valve to Grade		EA.	\$ 200.00	\$ 0.00
Removal of Blowoff		EA.	\$ 500.00	\$ 0.00
Join at existing end of 8" pipe		EA.	\$ 2,000.00	\$ 0.00
1" Hot Tap		EA.	\$ 1,000.00	\$ 0.00
4" Hot Tap		EA.	\$ 1,430.00	\$ 0.00
6" Hot Tap		EA.	\$ 1,750.00	\$ 0.00
8" Hot Tap		EA.	\$ 2,200.00	\$ 0.00
12" Hot Tap		EA.	\$ 3,150.00	\$ 0.00
8" Miscellaneous Fittings	102	EA.	\$ 250.00	\$ 25,500.00
12" Miscellaneous Fittings	21	EA.	\$ 320.00	\$ 6,720.00
18" Miscellaneous Fittings	17	EA.	\$ 425.00	\$ 7,225.00
Blue Retroreflective FH Marker	28		\$	\$ 0.00
Remove Existing 12" Water Main	905	L.F.	\$ 25.00	\$ 22,625.00
Remove Existing 16" Water Main	589	L.F.	\$ 25.00	\$ 14,725.00
Remove & Replace Existing 12" Water Main	323	L.F.	\$ 50.00	\$ 16,150.00
Remove Existing Fittings Air Valve and Blowoff	8	E.A.	\$ 100.00	\$ 800.00
A.	Subtotal			\$ 2,105,845.00
B.	Administrative Contingency (20% x A)			\$ 421,169.00
C.	Water Total (A + B)			\$ 2,527,014.00
	PRIOR TO HAVING SIGNED PLANS			
D	20% x C			\$ 505,402.80
E.	Water Total (C + D)			\$ 3,032,416.80

**CITY OF MENIFEE ENGINEERING DEPARTMENT
IMPROVEMENT REQUIREMENT WORKSHEET
SANITARY SEWER IMPROVEMENTS**

A.	Subtotal	\$ 591,905.00
B.	Administrative Contingency (20% x A)	\$ 118,381.00
C.	Sewer Total (A + B)	\$ 710,286.00
	TO HAVING SIGNED PLAND (ORD.460, SEC.	
D.	20% x C	\$ 142,057.20
E.	Sewer Total (C + D)	\$ 852,343.20

CITY OF MENIFEE ENGINEERING DEPARTMENT
COST ESTIMATE CALCULATION SHEET

PARCEL MAP OR TRACT NO. TR 36658 BACKBONE PH 1 SCH: _____ DATE: 7/11/2021
PP, CU, PU, MS OR VL NO. _____

IMPROVEMENT COSTS (Including Contingencies)	
I. Streets/Drainage (Line C from Street Improvement Calculations)	\$ 11,219,294.39
II. Domestic Water (Line C from Domestic Water Improvement Calculations)	\$ 2,527,014.00
III. Recycled Water (Line C from Recycled Water Improvement Calculations)	\$
IV. Sewer (Line C from Sewer Improvement Calculations)	\$ 710,286.00
Total	\$ 14,456,594.39
<u>INSPECTION DEPOSIT CALCULATION</u>	
<u>Street/Drainage</u>	
NOTE: Use 3% for Inspection	\$ 336,578.83

EXHIBIT "C"

DOCUMENTATION TO BE PROVIDED TO AGENCY BY DEVELOPER FOR DETERMINATION OF VERIFIED COSTS

To assist AGENCY in determining the Verified Costs for a completed TUMF Improvement, Developer shall provide the following documents to AGENCY:

1. Plans, specifications and Developer's civil engineer's cost estimate;
2. If Developer is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvement. Only actual, documented and reasonable costs directly related to the TUMF Improvement will be considered. Costs should be documented as specified below.
3. Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.
4. List of bidders from whom bids were requested;
5. Construction schedules and progress reports;
6. Contracts, insurance certificates and change orders with each contractor, consultant, service provider or vendor;
7. Invoices received from all contractors, consultants, service providers and vendors;
8. Canceled checks for payments made to contractors, consultants, service providers and vendors (copy both front and back of canceled checks);
9. Spreadsheet showing total costs incurred in and related to the construction of each TUMF Improvement and the check number for each item of cost and invoice;
10. Final lien releases from each contractor and vendor; and
11. Such further documentation as may be reasonably required by AGENCY to evidence the completion of construction and the payment of each item of cost and invoice.

EXHIBIT C-1

EXHIBIT "D"

REIMBURSEMENT AGREEMENT TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM

THIS REIMBURSEMENT AGREEMENT ("Agreement") is entered into this ___ day of _____, 20___, by and between the City of Meniffee, a California municipal corporation ("AGENCY"), the Western Riverside Council of Governments ("WRCOG"), a Joint Powers Agency and Pulte Home Company, a Michigan limited liability company, with its principal place of business at 27401 Los Altos, Suite 400, Mission Viejo, CA 92691 ("Developer"). AGENCY and Developer are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

WHEREAS, AGENCY, WRCOG and Developer are parties to an agreement dated _____, 20___, entitled "Improvement and Credit Agreement - Transportation Uniform Mitigation Fee Program" (hereinafter "Credit Agreement");

WHEREAS, Sections 14.1 through 14.3 of the Credit Agreement provide that Developer is obligated to pay AGENCY the TUMF Obligation, as defined therein, but shall receive credit to offset the TUMF Obligation if Developer constructs and AGENCY accepts the TUMF Improvements in accordance with the Credit Agreement;

WHEREAS, Section 14.5 of the Credit Agreement provides that if the dollar amount of the credit to which Developer is entitled under the Credit Agreement exceeds the dollar amount of the TUMF Obligation, Developer may apply to AGENCY and WRCOG for a reimbursement agreement for the amount by which the credit exceeds the TUMF Obligation;

WHEREAS, Section 14.5 additionally provides that a reimbursement agreement executed pursuant to the Credit Agreement (i) shall be executed on the form attached to the Credit Agreement, (ii) shall contain the terms and conditions set forth therein, (iii) shall be subject to all terms and conditions of the Credit Agreement, and (iv) shall be attached upon execution to the Credit Agreement and incorporated therein as a material part of the Credit Agreement as though fully set forth therein; and

WHEREAS, AGENCY and WRCOG have consented to execute a reimbursement agreement with Developer pursuant to the Credit Agreement, Ordinance 2017-229, and the TUMF Administrative Plan adopted by WRCOG.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

TERMS

1.0 **Incorporation of Recitals.** The Parties hereby affirm the facts set forth in the Recitals above and agree to the incorporation of the Recitals as though fully set forth herein.

2.0 **Effectiveness.** This Agreement shall not be effective unless and until the Credit Agreement is effective and in full force in accordance with its terms.

3.0 **Definitions.** Terms not otherwise expressly defined in this Agreement, shall have the meaning and intent set forth in the Credit Agreement.

4.0 **Amount of Reimbursement.** Subject to the terms, conditions, and limitations set forth in this Agreement, the Parties hereby agree that Developer is entitled to receive the dollar amount by which the Actual Credit exceeds the dollar amount of the TUMF Obligation as determined pursuant to the Credit Agreement, Ordinance 2017-0229, and the TUMF Administrative Plan adopted by WRCOG ("Reimbursement"). The Reimbursement shall be subject to verification by WRCOG. AGENCY and Developer shall provide any and all documentation reasonably necessary for WRCOG to verify the amount of the Reimbursement. The Reimbursement shall be in an amount not exceeding ONE MILLION TWO HUNDRED AND EIGHT THOUSAND NINE HUNDRED AND FORTY-THREE DOLLARS [\$1,208,943] ("Reimbursement Amount"). WRCOG shall, upon receipt and approval of information requested by WRCOG, shall be responsible for transmitting the Reimbursement Amount to the Developer. In no event shall the dollar amount of the Reimbursement exceed the difference between the dollar amount of all credit applied to offset the TUMF Obligation pursuant to Section 14.3, 14.4, and 14.5 of the Credit Agreement, and one hundred (100%) of the approved unit awarded, as such assumptions are identified and determined in the Nexus Study and the TUMF Administrative Plan adopted by WRCOG.

5.0 **Payment of Reimbursement; Funding Contingency.** The payment of the Reimbursement Amount shall be subject to the following conditions:

5.1 Developer shall have no right to receive payment of the Reimbursement unless and until (i) the TUMF Improvements are completed and accepted by AGENCY in accordance with the Credit Agreement, (ii) the TUMF Improvements are scheduled for funding pursuant to the five-year Transportation Improvement Program adopted annually by WRCOG, (iii) WRCOG has funds available and appropriated for payment of the Reimbursement amount.

5.2 Developer shall not be entitled to any interest or other cost adjustment for any delay between the time when the dollar amount of the Reimbursement is determined and the time when payment of the Reimbursement is made to Developer by WRCOG through AGENCY.

6.0 **Affirmation of Credit Agreement.** AGENCY and Developer represent and warrant to each other that there have been no written or oral modifications or amendments of the Credit Agreement, except by this Agreement. AGENCY and Developer ratify and reaffirm each and every one of their respective rights and obligations arising under the Credit Agreement. AGENCY and Developer represent and warrant that the Credit Agreement is currently an effective, valid, and binding obligation.

7.0 Incorporation Into Credit Agreement. Upon execution of this Agreement, an executed original of this Agreement shall be attached as Exhibit "D" to the Credit Agreement and shall be incorporated therein as a material part of the Credit Agreement as though fully set forth therein.

8.0 Terms of Credit Agreement Controlling. Each Party hereby affirms that all provisions of the Credit Agreement are in full force and effect and shall govern the actions of the Parties under this Agreement as though fully set forth herein and made specifically applicable hereto, including without limitation, the following sections of the Credit Agreement: Sections 10.0 through 10.3, Section 12.0, Sections 13.0 through 13.7, Sections 14.0 through 14.6, and Sections 15.0 through 15.17.

[SIGNATURES OF PARTIES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

("Developer")

By: _____

Its: _____

ATTEST:

By: _____

Its: _____

City of Menifee _____

By: Armando Villa

Its: City Manager

ATTEST: _____

By: Sarah Manwaring

Its: City Clerk

EXHIBIT D-4

EXHIBIT "E"

TUMF CREDIT / REIMBURSEMENT ELIGIBILITY PROCESS

1. Prior to the construction of any TUMF Improvement, Developer shall follow the steps listed below:

- (a) Prepare a separate bid package for the TUMF Improvements.
- (b) The plans, cost estimate, specifications and contract document shall require all contractors to pay prevailing wages and to comply with applicable provisions of the Labor Code, Government Code, and Public Contract Code relating to Public Works Projects.
- (c) Bids shall be obtained and processed in accordance with the formal public works bidding requirements of the AGENCY.
- (d) The contract(s) for the construction of TUMF Improvements shall be awarded to the lowest responsible bidder(s) for the construction of such facilities in accordance with the AGENCY's requirements and guidelines.
- (e) Contractor(s) shall be required to provide proof of insurance coverage throughout the duration of the construction.

2. Prior to the determination and application of any Credit pursuant to a TUMF Improvement and Credit Agreement executed between AGENCY and Developer ("Agreement"), Developer shall provide the AGENCY and WRCOG with the following:

- (a) Copies of all information listed under Item 1 above.
- (b) Surety Bond, Letter of Credit, or other form of security permitted under the Agreement and acceptable to the AGENCY and WRCOG, guaranteeing the construction of all applicable TUMF Improvements.

3. Prior to the AGENCY's acceptance of any completed TUMF Improvement, and in order to initiate the construction cost verification process, the Developer shall comply with the requirements as set forth in Sections 7, 14.2 and 14.3 of the Agreement, and the following conditions shall also be satisfied:

- (a) Developer shall have completed the construction of all TUMF Improvements in accordance with the approved Plans and Specifications.
- (b) Developer shall have satisfied the AGENCY's inspection punch list.
- (c) After final inspection and approval of the completed TUMF Improvements, the AGENCY shall have provided the Developer a final inspection release letter.

(d) AGENCY shall have filed a Notice of Completion with respect to the TUMF Improvements pursuant to Section 3093 of the Civil Code with the County Recorder's Office, and provided a copy of filed Notice of Completion to WRCOG.

(e) Developer shall have provided AGENCY a copy of the As-Built plans for the TUMF Improvements.

(f) Developer shall have provided AGENCY copies of all permits or agreements that may have been required by various resource/regulatory agencies for construction, operation and maintenance of any TUMF Improvements.

(g) Developer shall have submitted a documentation package to the AGENCY to determine the final cost of the TUMF Improvements, which shall include at a minimum, the following documents related to the TUMF Improvements:

(i) Plans, specifications, and Developer's Civil Engineer's cost estimates; or Engineer's Report showing the cost estimates.

(ii) If DEVELOPER is seeking Credit for such costs, documentation evidencing cost of any required environmental studies, preparation of designs, plans and specifications, required right of way acquisition, and other costs directly related to the development of the TUMF Improvements. Only actual, documented and reasonable costs directly related to the TUMF Improvements will be considered. Costs should be documented as specified below.

(iii) Costs claimed for right of way acquisition must be accompanied by an appraisal (no more than two years old at the time of acquisition) completed by an MAI appraiser, and documentation of transfer of such right of way to the AGENCY, or applicable public agency. The appraisal must be approved by the AGENCY as valid and acceptable.

(iv) Contracts/agreements, insurance certificates and change orders with each vendor or contractor.

(v) Invoices from all contractors, consultants, service providers and vendors.

(vi) Copies of cancelled checks, front and back, for payments made to contractors, consultants, service providers and vendors.

(vii) Final lien releases from each contractor and vendor (unconditional waiver and release).

(viii) Certified contract workers payroll for AGENCY verification of compliance with prevailing wages.

(ix) A total cost summary, in spreadsheet format (MS Excel is preferred) and on disk, showing a breakdown of the total costs incurred. The summary should include for each item claimed the check number, cost, invoice numbers, and name of payee.

EXHIBIT "F"

RECONCILIATION EXAMPLES

All examples are based on a single family residential development project of 200 dwelling units:
200 SF dwelling units @ \$6,650 / dwelling unit = \$1,330,000 in fees (TUMF Obligation)

Example A: "TUMF BALANCE"

CREDIT

TUMF Obligation:	\$1,330,000
Estimated Credit: Bid (\$1,500,000) or unit Cost Assumption (\$1,600,000) whichever is less	<u>\$1,500,000</u>
Potential Reimbursement:	(\$170,000)

RECONCILIATION

TUMF Obligation:	\$1,330,000
Actual Credit:	<u>\$1,200,000</u>
TUMF Balance (Payment to TUMF):	\$130,000

Example B: "REIMBURSEMENT"

CREDIT

TUMF Obligation:	\$1,330,000
Estimated Credit: Bid (\$1,500,000) or unit Cost Assumption (\$1,600,000) whichever is less	<u>\$1,500,000</u>
Potential Reimbursement:	(\$170,000)

RECONCILIATION

TUMF Obligation:	\$1,330,000
Actual Credit:	<u>\$1,500,000</u>
Reimbursement Agreement with Developer (Based on Priority Ranking):	(\$170,000)

Example C: "TUMF OVERPAYMENT"

CREDIT

TUMF Obligation:	\$1,330,000
Estimated Credit: Bid (\$1,200,000) or unit Cost Assumption (\$1,500,000) whichever is less	<u>\$1,200,000</u>
Remaining TUMF Obligation:	\$130,000
Prorated Fee: \$130,000 / 200 du =	\$650 / du

RECONCILIATION

Actual Credit:	\$1,300,000
TUMF payments from Developer (\$650 per unit x 200 units)	<u>\$130,000</u>
Actual Credit plus TUMF Payment	\$1,430,000
TUMF Obligation:	\$1,330,000
Actual Credit plus TUMF Payment	<u>\$1,430,000</u>
TUMF Overpayment (Refund to Developer):	(\$100,000)

Exhibit G
Pulte Homes - Cimarron Ridge (Tract No. 36658)
Goetz Road - TUMF Credit Estimate
June 8, 2023

ESTIMATED TUMF OBLIGATION CALCULATION

Paid TUMF	Fee per Unit	Units	Amount
Single Family Residential	\$ -	756	\$ -
	Paid Subtotal	756	\$ -

Unpaid TUMF - Estimated Remaining Units	Fee per Unit	Units	Amount
Residential Units	\$ 10,104.00	756	\$ 7,638,624
	Estimated Subtotal	756	\$ 7,638,624
	Obligation Total	756	\$ 7,638,624

TUMF Network Road Segment applicable to Proposed Improvements				Cost Item	Amount	
Goetz Rd - Lesser to Ethanac				Road Const	\$ 699,346	
				ROW/Utilities	\$ 355,531	
				Planning (10%)	\$ 69,844	
				Engineering (25%)	\$ 174,836	
				Contingency (10%)	\$ 105,443	
				Maximum TUMF Share (a)		\$ 1,405,000
				Network Unit Cost per Lane mile *		\$ 675,481
Network Unit Cost per Lane foot		\$ 128				
				* TUMF Share divided by total lane distance for 2 add'l lanes (i.e., 2.08 Miles)		
Road Improvement Cost Estimate (based on Network Unit Cost per Lane foot)						
Lane	Construction Limits (Sta. to Sta.) (c)			Linear Feet Per Lane	Amount (b)	
3	110+05.98	135+71.72	(Goetz, North of Valley Blvd) SB	2,566	\$ 328,240	
4	110+05.98	127+88.19	(Goetz, North of Valley Blvd) NB	1,785	\$ 228,385	
3	10+00.00	41+87.04	(Goetz, South of Valley Blvd) NB	3,187	\$ 407,724	
4	10+00.00	29+00.00	(Goetz, South of Valley Blvd) SB	1,912	\$ 244,593	
TUMF Road Total				9,450	\$ 1,208,943	

TOTAL TUMF UNIT COST ASSUMPTION FOR ELIGIBLE IMPROVEMENTS	\$ 1,208,943
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Footnotes:

- (a) Maximum TUMF Share provided by Christopher Gray, WRCOG Deputy Executive Director, on 5/11/2023.
(b) Represents the Linear Fee per Lane times the Network Unit Cost per Lane foot.
(c) See Tract No. 36658 Backbone Phase 1 Street and Drainage Improvement Plans.



Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: Voting Allocation for WRCOG Representatives on the Inland Regional Energy Network Executive Committee

Contact: Casey Dailey, Director of Energy & Environmental Programs, cdailey@wrcog.us, (951) 405-6720

Date: December 4, 2023

Recommended Action(s):

1. Establish Option 2 as the voting allocation for WRCOG representatives on the I-REN Executive Committee to allocate a missing vote equally at 1.5 to the members present, in the event of a split vote.

Summary:

The Inland Regional Energy Network (I-REN) Executive Committee is comprised of elected official members from each of the three participating agencies (member COGs): the Coachella Valley Association of Governments (CVAG), the San Bernardino Council of Governments (SBCOG), and the Western Riverside Council of Governments (WRCOG). Votes are evenly distributed with three votes available to each participating COG. WRCOG has selected to have three elected official members represent WRCOG, one person per vote.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to establish a vote allocation of the three WRCOG votes in the event that one or more WRCOG representatives are not present for a vote. I-REN supports WRCOG's 2022-2027 Strategic Plan Goal #6 (Develop and implement programs that support resilience for our region).

Discussion:

The voting procedures for the I-REN Executive Committee are outlined in I-REN Governance and Operations Rules, included as Exhibit C to Memorandum of Agreement No. 22-1002767, and are evenly distributed with three votes available to each participating COG. In the case where a participating COG is represented by three voting members, each voting member casts a single vote for a total of three for that COG. Those votes are allocated whether or not there are three voting members.

In the case where a participating COG is represented by only one voting member, that member is entitled to cast the equivalent of three votes so that COG is still able to capture its full three votes. After observing an unrelated discussion at a recent meeting, a hypothetical scenario arose in which the

current rules could be ambiguous.

In the event a COG was represented by two voting members, the rules allow for them to cast a total of three votes. As long as both voting members agree on the vote, no issue is presented. Consequently, if the two members disagree on the vote, staff is seeking clarity for how the votes would be allocated. The Committee is neither required to make a change, nor limited by the proposed options, but three options are listed below for consideration.

Option 1: Status quo with no change.

Option 2: Allocate the votes equally (1.5 and 1.5).

Option 3: Pre-designate the senior member to cast the second vote (2 vs 1).

On August 15, 2023, the I-REN Executive Committee held a discussion to address how to count a missing third vote in the event the two present I-REN Executive Committee members disagreed and wanted to vote differently. Since each COG is responsible for determining its own voting structure, WRCOG staff requested its I-REN Executive Committee members determine how they would like to allocate the vote.

Option 2 was selected by the WRCOG members; this will allocate the missing third vote equally to both members, giving them each 1.5 votes.

Staff is requesting the WRCOG Executive Committee establish Option 2 as the voting allocation for the WRCOG representatives on the I-REN Executive Committee.

Prior Action(s):

None.

Financial Summary:

All costs associated with the development and implementation of I-REN are included in WRCOG's adopted Fiscal Year 2023/2024 Agency Budget under the I-REN budget (Fund 180) in the Energy & Environmental Department.

Attachment(s):

None.



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: Environmental Department Program Activities Update
Contact: Olivia Sanchez, Program Manager, osanchez@wrcog.us, (951) 405-6721
Date: December 4, 2023

Recommended Action(s):

1. Receive and file.

Summary:

The Regional Food Rescue Program (RFRP) is a partnership between WRCOG and the cities of Jurupa Valley, Moreno Valley, Murrieta, Perris and San Jacinto. The RFRP includes developing implementation plans to address identifying Tier 1 and Tier 2 edible food waste generators within those participating cities and food rescue organizations that would take food in from those generators. Currently, the consultants are working with their subcontractor to develop educational and outreach materials with feedback from WRCOG staff and the member jurisdictions.

The Love Your Neighborhood (LYN) Program, a collaboration between the Riverside County Flood Control & Water Conservation District and WRCOG, focuses on raising awareness about illegal disposal and littering through online platforms. It supports cities, community groups, and residents in conducting cleanup events to reduce pollution in the Middle Santa Ana River, Santa Margarita, and Whitewater River watersheds. The Program provides resources like gloves, bags, and promotional materials, encouraging local participation. Several events, like Menifee's "Better Together" and Hemet's cleanup in Simpson Park, were successful, removing significant amounts of debris. The initiative collaborates with member agencies, leading to the removal of tons of materials. A "Clean-Up Kit" partnership with Corona allows residents to organize DIY neighborhood cleanups, further promoting community engagement and environmental stewardship.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to provide an update of the current Environmental Department activities. This effort aligns with WRCOG's 2022-2027 Strategic Plan Goal #6 (Develop and implement programs that support resilience for our region) and Strategy 6.3 (Continuing to support the solid waste and recycling program).

Discussion:

Background

WRCOG's Environmental Department assists WRCOG member agencies with addressing state mandates requiring education and outreach programs to reduce greenhouse gas (GHG) emissions. The Environmental Department houses three programs to meet California's goals: 1) the Solid Waste and Recycling Program, which assists in developing strategies to reduce short-lived climate pollutants; 2) a regional Used Oil Recycling Program, designed to promote the proper recycling and disposal of used motor oil and filters; and 3) the Love Your Neighborhood Program, which supports marketing and awareness on illegal disposal and littering by using online platforms and community events.

Solid Waste and Recycling Program: The waste diversion goals set by California under legislation (AB 939, AB 341, AB 1826, AB 827, and SB 1383,) require local jurisdictions to implement techniques that promote resident and business recycling and organic recycling. To regionally address these measures, WRCOG formed the Solid Waste Committee (SWC), comprised of participating WRCOG member agencies.

Senate Bill 1383: SB 1383, also known as the Short-Lived Climate Pollutants Reduction Act, includes significant food rescue requirements aimed at reducing greenhouse gas emissions and diverting organic waste from landfills. The Bill addresses reducing organic waste disposal by 75% and rescuing at least 20% of currently disposed surplus food by the year 2025. Enacted in California, this legislation mandates that businesses, including supermarkets, grocery stores, and restaurants, must establish food waste prevention and food rescue programs. These programs involve the identification of surplus edible food that can be donated to food banks, shelters, and other nonprofits to help those in need. By diverting edible food that would otherwise go to waste, SB 1383 not only addresses food insecurity but also contributes to environmental conservation by decreasing methane emissions from landfills, thereby mitigating the impacts of climate change. WRCOG staff has been updating its member agencies regarding SB 1383 in a variety of means, including regular meetings of the SWC and other Committees.

Regional Food Rescue and Technical Assistance: SB 1383 carries measurable requirements and penalizes jurisdictions for failing to meet them. WRCOG staff have discussed potential options to address the SB 1383 regulations. One potential option was to develop a regional program specific to food rescue to meet these requirements.

WRCOG staff distributed a survey seeking interest from WRCOG member jurisdictions in such a regional program to assist with edible food recovery and edible food generator / food rescue organization inspections. Members of the SWC indicated that there was general interest in a regional program. At the direction of SWC members, WRCOG staff issued a Request for Proposals (RFP) for a consultant to provide a scope of work and associated costs for an edible food rescue program in December 2022. The selected consultant, MSW Consultants, is performing these tasks to ensure the participating member agencies are in compliance.

- Project management - team coordination
- Capacity and compliance - food recovery agencies, Tier 1 & Tier 2 edible food waste compliance
- Public outreach - communications & education plan, research, surveys, audience mapping, media audit
- Implementation of outreach and education plan
- Inspection schedule and plan - Tier 1 & Tier 2
- Regional food recovery plan - Careit (app) database, written plan
- Final Report

Five cities are participating in this project, which include Jurupa Valley, Moreno Valley, Murrieta, Perris, and San Jacinto. The total cost is \$299,845 for the first year. The agreement term for this project is three years from the date of execution with the option of two, one-year extensions. The agreement includes a "not to exceed" clause and is specific to task orders for each participating city, whereby work cannot commence until approved and ordered by WRCOG. Each task order will identify which tasks in the scope will be performed by MSW Consultants for each city. The WRCOG administrative fee for each agreement with participating cities is 7.5% of the total for each city and WRCOG will bill accordingly. Each participating city has entered into professional services agreements with WRCOG for the performance of the tasks identified in the scope of work for MSW. The professional services agreements establishes the cost for each participating city.

Present Situation

Project Progress: The implementation plans identified the edible food waste generators, developing education and outreach pieces, setting up meetings with the participating cities, developing marketing and collateral pieces to ensure proper education of Tier 1 and Tier 2 generators, and ultimately scheduling inspections to occur in the months of October through December 31. WRCOG staff has been working with the contractors to review materials, meet with participating cities, provide feedback, and work with CalRecycle on approvals and direction.

MSW Consultants has been meeting with the member agencies to apprise them regarding the inspection schedule and make any necessary adjustments to outreach documents or informational letters based upon specific jurisdictional needs. The next phase will be to develop a complaint system as prescribed by SB1383 and provide that to the participating member agencies as part of the scope of services.

Background

Love Your Neighborhood Program: The Love Your Neighborhood (LYN) Program is a collaborative between WRCOG and Riverside County Flood Control & Water Conservation District (Flood Control). The Program supports marketing and awareness on illegal disposal and littering by using online platforms. Program goals include quantifiable results: tracking litter removal, increased pollution prevention, meeting objectives with the Municipal Separate Storm Sewer System Permits, and complying with California mandates related to solid waste, recycling, and household hazardous waste; all goals that align with WRCOG's energy and environmental programs.

The LYN Program is an "action-ready" stormwater pollution prevention program that aims to increase pollution awareness and its impact on the environment. The aspiration of the Program is to empower cities, community groups, and residents to conduct their own cleanup events to help minimize pollution in the three watersheds: Middle Santa Ana River, Santa Margarita, and Whitewater River. The Program also helps obtain real-time data to track the number of pollutants removed from communities in support of stormwater mandates required by state permits and spans across 27 cities. WRCOG and Flood Control staff encourage each partner city to join in promoting local cleanup activities of their own and rally residents to help with the reduction of litter and pollutants in their neighborhood and beyond.

The program was constructed to assist local jurisdictions to use the LYN Program resources to develop their own clean up events or support existing programs and for residents to organize themselves to

create their own clean-up programs in their neighborhoods. Operationally, the Program provides gloves, bags, collection pickers, and personal protection equipment along with other promotional materials for public education. The Program also includes any necessary coordination for city events, marketing materials for social media, updates to the LYN website related to tonnages, upcoming events, photos, and testimonials. Program elements are available at no-cost to jurisdictions in western Riverside County and additional support to the cities in the eastern portion of Riverside County. The contract for the LYN Program is for five years.

On November 9, 2022, WRCOG, along with Flood Control and the City of Lake Elsinore, hosted an online workshop for WRCOG member agencies where they were presented with Program details, the new website, and information on how to become involved, schedule an event, and market the LYN Program. Due to the inclement weather in early 2023, staff and interested cities scheduled events in the spring, summer, and fall.

Present Situation

Events:

- The City of Menifee had an event on April 22, 2023, the "Better Together" event. Projects were selected and once volunteers checked in, they came to the LYN booth to obtain the necessary gloves and bags for the clean ups. City staff collected the bags from the various sites; volunteers picked up 100 bags worth of material.
- The City of Hemet had an event on April 29, 2023, and Simpson Park. Volunteers collected 0.41 tons of debris and trash from the site.
- The City of Perris had an event on May 20, 2023, along the street of Patriot Park. City and WRCOG staff had a booth to provide clean up materials. This was a smaller turnout, as it was not connected to a larger event; however, the volunteers did collect over 20 bags of materials. The event was also cut short due to a small brush fire.
- The City of Corona had an event on September 14, 2023. WRCOG staff had a booth to provide clean up materials and provide education on the Program to volunteers.
- The City of Wildomar had an event on September 16, 2023, to clean up larger sections along Mission Trail and into Sedco Hills. WRCOG staff had a booth to provide clean up materials and were a co-sponsor of this event. Over three tons of materials were removed from this project.
- The City of Murrieta had an event on October 21, 2023, to clean up two sections, along Jefferson and Whitewood Road. WRCOG staff provided materials to volunteers and assisted in the clean up efforts. Volunteers collected 28 bags of trash.
- Riverside County First District held an event on November 18, 2023, in the Mead Valley Community. Volunteers collected 30 bags of trash along San Jacinto Avenue.
- The City of Corona and WRCOG have also partnered to develop a "Clean up Kit" which is available to residents at no cost to do their own DIY neighborhood cleanups. The kits can be obtained by visiting the site, [Volunteer for Corona](#).

Prior Action(s):

October 2, 2023: The Executive Committee received and filed.

June 5, 2023: The Executive Committee authorized the Executive Director to execute an Agreement between WRCOG and MSW Consultants.

Financial Summary:

Activities related to the Regional Food Rescue Program will be budgeted under the Solid Waste Program (1038) under the General Fund (110). While an estimate was created during the Fiscal Year 2023/2024 budget process, an amendment is being prepared to adjust to the actual amounts now that the agreements are in place. Activities related to the Love Your Neighborhood Program (1035) are included in the Fiscal Year 2023/2024 budget under the General Fund (110).

Attachment(s):

None.



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: Climate Pollution Reduction Grants Funding Opportunity

Contact: Casey Dailey, Director of Energy & Environmental Programs, cdailey@wrcog.us, (951) 405-6720

Date: December 4, 2023

Recommended Action(s):

1. Receive and file.

Summary:

The 2022 Inflation Reduction Act established the Climate Pollution Reduction Grants (CPRG) Program, which funds both planning and implementation grant opportunities. One million dollars was allocated to the Riverside / San Bernardino Metropolitan Statistical Area (MSA) to prepare a Priority Climate Action Plan (PCAP). Following submittal of the PCAP, the Riverside / San Bernardino MSA will be eligible to submit an application for implementation grants. This subsequent application is due April 1, 2024.

Purpose / WRCOG 2022-2027 Strategic Plan Goal:

The purpose of this item is to share information regarding the upcoming CPRG implementation grant opportunity.

Potential implementation grant activities cover a wide spectrum of issue areas and overlap with multiple goals and actions with the adopted WRCOG 2022/2027 Strategic Plan, including:

Goal 2: Identify and help secure grants and other potential funding opportunities for projects and programs that benefit member agencies.

Goal 5: Develop projects and programs that improve infrastructure and sustainable development in our subregion.

5.1 Support Investment in projects, infrastructure, and programs in the region including:

5.1.1 Transportation infrastructure

Goal 6: Develop and implement programs that support resilience for our region.

6.1 Incentivize programs for saving electricity, water, and other essential resources through the Inland

Regional Energy Network.

6.2 Support the efforts to promote the Clean Cities Coalition.

Discussion:

Background

In 2022, the Biden / Harris Administration and Congress established the \$5B CPRG Program as part of the Inflation Reduction Act (IRA). The CPRG implementation grants are designed to enable states, municipalities, tribes, and territories to achieve the following goals:

1. Implement ambitious measures that will achieve significant cumulative greenhouse gas (GHG) emissions reductions by the year 2030 and beyond.
2. Pursue measures that will achieve substantial community benefits (such as reduction of criteria air pollutants [CAPs] and hazardous air pollutants [HAPs]), particularly in low- income and disadvantaged communities.
3. Complement other funding sources to maximize these GHG emissions reductions and community benefits.
4. Pursue innovative policies and programs that are replicable and can be scaled up across multiple jurisdictions.

The U.S. Environmental Protection Agency (EPA) has allocated funding to 117 entities nationally to prepare preliminary studies that will be used to identify GHG emissions reduction strategies. This funding was provided to states as well as regional governments representing MSAs. MSAs are designated by the U.S. Census and represent countywide or multi-county areas with a significant level of economic interaction. Within southern California, the following MSAs received \$1M each to prepare this initial planning study (PCAP):

- Los Angeles / Orange County MSA
- Riverside / San Bernardino MSA
- Oxnard / Ventura / Thousand Oaks MSA

SBCOG is leading the preparation of the PCAP for the Riverside / San Bernardino MSA with assistance from SCAG, AQMD, WRCOG, CVAG, and other stakeholders.

The CPRG Program does not allow for individual municipalities to submit grant funding requests directly to EPA. The CPRG Program does allow for municipalities and other agencies to serve as sub-applicants or partner with regional entities on a grant application. WRCOG anticipates that any grant application to EPA would be structured in this manner, which ensures that money would flow from EPA to the MSA, and then to individual government agencies for project implementation.

Present Situation

Implementation Grant Application: Any of the entities which received a planning grant and submit a PCAP are eligible to apply for an implementation grant. Up to \$4.6B will be allocated to these entities with the maximum grant amount of \$500M. Given the relative size of the Riverside / San Bernardino MSA, the region could be eligible for up to \$200M in funding, though any award would be through a

competitive process. Applications for CPRG grants are due in April, with the awards anticipated to be announced in October. The grant period extends through 2030.

One key requirement for the implementation grants is that any proposed GHG emissions reduction program, policy, or project that agencies want to fund must be first identified in the PCAP to be eligible for the larger funding amounts. EPA encourages eligible applicants to seek implementation funds for GHG emissions reduction measures that will significantly reduce cumulative GHG emissions by 2030 and beyond, and that will accelerate decarbonization across one or more major sectors responsible for GHG emissions. EPA will score grant applications based on multiple evaluation criteria, with an emphasis on the magnitude of near-term GHG emissions reductions that will be achieved by the proposed measures. Additionally, EPA will prioritize applications which demonstrate regional collaboration. Therefore, programs or projects which are multi-jurisdictional or implemented at a larger scale will be scored higher than programs or projects which are limited to one jurisdiction.

When considering potential GHG emissions reduction measures, it is important to also understand the current state of GHG emissions in the Riverside / San Bernardino MSA since reduction measures which provide the highest level of GHG emissions reduction are more likely to receive funding. Based on the most recent CAP completed for the WRCOG subregion, which is also reflective of the emission profile of the larger MSA, the primary sectors contributing to GHG reduction include:

- On-road transportation (light- and heavy-duty vehicles) - 50%
- Residential energy (electricity and natural gas usage) - 23%
- Non-residential energy (electricity and natural gas usage) - 19%

Therefore, 90% of all GHG emissions are associated with vehicles and buildings. The remaining 10% of emissions are related to solid waste, off-road equipment, water / wastewater, and other sectors.

The implementation grant application is not limited to these sectors and the EPA is encouraging applicants to consider a variety of creative solutions to reduce GHG emissions in a variety of sectors. The EPA also recognizes that each state and region has a different emissions profile and some reduction measures may be more applicable in certain circumstances.

Other Grant Requirements

As with other grants, EPA is also asking applicants to evaluate equity and environmental justice considerations, particularly as it relates to low-income and disadvantage communities. Any grant application will therefore have to document how these communities benefit from any proposed GHG emissions reduction measures. Also, any GHG emissions reduction measures that specifically benefit those low-income and disadvantaged communities may be more likely to receive funding.

The CPRG Program also expects applicants to document outcomes associated with the implementation of GHG emissions reduction measures.

Example outputs could include:

- Number of alternative fuel vehicle charging / fueling stations constructed
- Amount of renewable energy installed
- Number of policies implemented in support of the GHG emissions reduction measures

- Number of workshops or trainings held in support of the GHG emissions reduction measures

The CPRG Program also requests applicants document GHG emissions reductions for both the near-term (2025 to 2030) and long-term (2025 to 2050) for any completed implementation activities.

Award Funding and Incremental / Full Funding

What is unique about the CPRG Program is that it will provide full funding subsequent to grant award. EPA will provide this funding to the agency who applied for the award. The agency which receives these funds will then be responsible for tracking any expenditures and then preparing the appropriate report as noted above. For example, if SBCOG were to apply for funding for the Riverside / San Bernardino County MSA and is awarded the funding, EPA will provide those funds to SBCOG, which will then be responsible for the distribution of funds to entities within the MSA.

Given this funding structure and the potential size of any grant award, there is a need for some administrative entity to facilitate this process. Specific tasks that could be required include:

- Conducting outreach with local governments to make them aware of this funding source
- Working directly with local governments to assist with project development
- Tracking funding requests to ensure an equitable distribution of funds
- Managing any formal or informal process, such as a Call for Projects, to facilitate the flow of funding from the MSA to local governments
- Working with local governments to prepare appropriate reports to comply with EPA requirements

No cost sharing / matching funds or leveraged resources are required as a condition of eligibility under this competition. Funds awarded under this Program cannot be used to meet the matching funds requirement under another federal grant program.

More information on the CPRG Program and the Notice of Funding Opportunity (NOFO) for the Implementation Grants can be found below:

- [CPRG Program](#)
- [Notice of Funding Opportunity](#)

Next Steps

There are a number of outstanding questions to be addressed prior to the application submittal in April 2024. These questions include:

- Is there interest within the WRCOG region to pursue this funding?
- Are there topics, programs, or projects our members would want to prioritize?
- Are there topics, programs or projects our members would want to de-emphasize or choose to not participate in?
- Are the proposed projects consistent with the WRCOG mission?
- How would funds be distributed to different jurisdictions?
- Should administrative oversight be maintained by WRCOG or shared with some combination of other partners (CVAG, SBCOG, I-REN)?

This item was presented to the WRCOG Administration & Finance Committee, the WRCOG Technical Advisory Committee, and the I-REN Executive Committee. The Administration & Finance Committee and the WRCOG Technical Advisory Committee expressed support to pursue this funding opportunity and discussed mechanisms to provide feedback to WRCOG staff regarding their relative priorities.

Prior Action(s):

November 16, 2023: The Technical Advisory Committee received and filed.

November 8, 2023: The Administration & Finance Committee received and filed.

Financial Summary:

WRCOG's support of the PCAP is limited to existing staff time and is included in the adopted Fiscal Year 2023/2024 Agency budget. The grant would potentially be awarded in Fiscal Year 2024/2025 and would be reflected in that year's budget.

Attachment(s):

None.