

COOPERATIVE AGREEMENT

Sun City – Cedar Court Storm Drain, Stages 2 and 3  
Project No. 4-0-00308  
Tract Nos. 36658-1 and 36658-2

This Cooperative Agreement ("Agreement"), dated as of \_\_\_\_\_, is entered into by and between the Riverside County Flood Control and Water Conservation District, a body politic ("DISTRICT"), the City of Menifee, a California municipal corporation ("CITY"), and Cimarron Ridge, LLC, a California limited liability company ("DEVELOPER").

RECITALS

A. DEVELOPER is the legal owner of record of certain real property located within the County of Riverside. DEVELOPER has submitted for approval Tract Nos. 36658-1 and 36658-2 located in the city of Menifee. As a condition of approval for Tract Nos. 36658-1 and 36658-2, DEVELOPER must construct certain flood control facilities in order to provide flood protection and drainage for DEVELOPER's planned development; and

B. The legal descriptions of Tract Nos. 36658-1 and 36658-2 are provided in Exhibit "A", attached hereto and made a part hereof; and

C. The required flood control facilities and drainage improvements, as shown on District Drawing No. 4-1132 and as shown in concept on Exhibit "B", attached hereto and made a part hereof, include the construction of:

- i. Line B1 ("CEDAR COURT STAGE 2"), which is comprised of approximately 805 lineal feet of underground storm drain system, as shown in green on Exhibit "B", including the associated modified concrete drop inlet, headwalls and cable railing. At its downstream terminus, CEDAR COURT STAGE 2 will connect to DISTRICT's existing Sun City – Cedar Court Storm Drain, Stage 1 facility, as shown on District Drawing No 4-0792; and

- ii. Line B2 ("CEDAR COURT STAGE 3"), which is comprised of approximately 2,600 lineal feet of underground storm drain system, as shown in blue on Exhibit "B", including the associated outlet headwall, inlet headwall, wingwalls, cable railing, and trash rack. At its downstream terminus, CEDAR COURT STAGE 3 will discharge to a CITY-maintained basin; and
- iii. Line B2 Emergency ("LINE B2 OVERFLOW"), which is comprised of approximately 35 lineal feet of 48" reinforced concrete pipe and associated catch basin shown in magenta on Exhibit "B". At its downstream terminus, LINE B2 OVERFLOW will connect to CEDAR COURT STAGE 3; and
- iv. All safety devices requested by DISTRICT, including but not limited to concrete pads, slope protection barriers, signage and fencing ("SAFETY DEVICES"). SAFETY DEVICES shall be purchased and installed by DEVELOPER and subject to DISTRICT's inspection and approval; and
- v. All together, CEDAR COURT STAGE 2, CEDAR COURT STAGE 3, LINE B2 OVERFLOW and SAFETY DEVICES are hereinafter called "DISTRICT FACILITIES"; and

D. Associated with the construction of DISTRICT FACILITIES is the construction of:

- i. Certain underground storm drain laterals that are 36 inches or less in diameter (Line B1 WQMP Outlet and Lat B1 – Lat B15, excluding Lat B13 and the portion of Lat B11 that is located within

DEVELOPER-held easements or rights of way), inlets, outlets, catch basins, connector pipes, debris basins within OS 119 (Tract Map 36658-2) and OS 139 (Tract Map 36658-2), and v-ditches located within CITY-held easements or rights of way and specifically described in detail in sheets 11, 12, 13, 14, 15, 16, 18 and 19 of District Drawing No. 4-1132 hereinafter called "APPURTENANCES"; and

- ii. Certain underground storm drain laterals that are 36 inches or less in diameter (Lat B13 and a certain portion of Lat B11) inlets, catch basins, connector pipes, u-channels, and steel tubular fence(s) located within DEVELOPER-held easements or rights of way, hereinafter called "DEVELOPER FACILITIES". DEVELOPER FACILITIES are to be initially owned and maintained by DEVELOPER, and subsequently owned and maintained by the Homeowners' Association for Tract No. 36658-2; and
- iii. Together, DISTRICT FACILITIES, APPURTENANCES and DEVELOPER FACILITIES are hereinafter called "PROJECT"; and

E. DEVELOPER shall enter into a separate agreement with the underlying property owner(s) that sets forth the maintenance responsibilities for the three foot wide gutter shown on Sheet 16 of District Drawing No. 4-1132; and

F. DEVELOPER and CITY desire DISTRICT to accept ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES. Therefore,

DISTRICT must review and approve DEVELOPER's plans and specifications for PROJECT and subsequently inspect the construction of DISTRICT FACILITIES; and

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

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

I. CITY is willing to (i) review and approve DEVELOPER's plans and specifications for PROJECT, (ii) inspect the construction of PROJECT, (iii) accept and hold faithful performance and payment bonds submitted by DEVELOPER for DISTRICT FACILITIES, (iv) grant DISTRICT the right to inspect, operate and maintain DISTRICT FACILITIES within CITY rights of way subject to the terms of this Agreement and (v) accept ownership and responsibility for the operation and maintenance of APPURTENANCES, provided DEVELOPER (a) complies with this Agreement, (b) constructs PROJECT in accordance with DISTRICT and CITY approved plans and specifications, (c) obtains and conveys to CITY all rights of way necessary for the inspection, operation and maintenance of APPURTENANCES as set forth herein and (d) accepts ownership and responsibility for the

operation and maintenance of PROJECT following completion of PROJECT construction until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES and CITY accepts ownership and responsibility for the operation and maintenance of APPURTENANCES; and

J. Pursuant to Water Code Appendix Section 10, the Board of Supervisors of the County of Riverside is designated as and is empowered to act as ex officio the Board of Supervisors of DISTRICT, therefore, the County of Riverside is included as an indemnified party; and

K. For the purposes of this Agreement, the term "CITY" shall mean and refer to the City of Menifee, including its governing bodies, agencies, districts, special districts and departments, their respective directors, councilmembers, officers, elected and appointed officials, employees, agents and representatives.

NOW, THEREFORE, the parties hereto mutually agree as follows:

#### SECTION I

DEVELOPER shall:

1. Prepare PROJECT plans and specifications, hereinafter called "IMPROVEMENT PLANS", in accordance with applicable DISTRICT and CITY standards, and submit to DISTRICT and CITY for their review and approval.

2. Continue to pay DISTRICT and CITY, within thirty (30) days after receipt of periodic billings from DISTRICT and CITY, any and all such amounts as are deemed reasonably necessary by DISTRICT and CITY to cover DISTRICT's and CITY's costs associated with the review and implementation of the IMPROVEMENT PLANS, review and approval of rights of way and conveyance documents, and with the processing and administration of this Agreement.

3. Deposit with DISTRICT (Attention: Business Office - Accounts Receivable), at the time of providing written notice to DISTRICT and CITY of the start of PROJECT construction as set forth in Section I.8., the estimated cost of providing construction inspection for DISTRICT FACILITIES, in an amount as determined and approved by DISTRICT in accordance with Ordinance Nos. 671 and 749 of the County of Riverside, including any amendments thereto, based upon the bonded value of DISTRICT FACILITIES. If at any time the costs exceed the deposit or are anticipated by DISTRICT to exceed the deposit with DISTRICT, DEVELOPER shall pay such additional amount(s), as deemed reasonably necessary by DISTRICT to complete inspection of PROJECT, within thirty (30) days after receipt of billing from DISTRICT.

4. Deposit with CITY, at the time of providing written notice to DISTRICT and CITY of the start of PROJECT construction as set forth in Section I.8., the estimated cost of providing construction inspection for PROJECT, in an amount as determined and approved by CITY in accordance with CITY's municipal code and regulations. If at any time the costs exceed the deposit or are anticipated by CITY to exceed the deposit with CITY, DEVELOPER shall pay such additional amount(s), as deemed reasonably necessary by CITY to complete inspection of PROJECT, within thirty (30) days after receipt of billing from CITY.

5. Secure, at its sole cost and expense, all necessary licenses, agreements, permits and rights of entry as may be needed for the construction, inspection, operation and maintenance of PROJECT. DEVELOPER shall furnish DISTRICT and CITY, at the time of providing written notice to DISTRICT and CITY of the start of construction as set forth in Section I.8. or not less than twenty (20) days prior to recordation of the final maps for Tract Nos. 36658-1 and 36658-2 or any phase thereof, whichever occurs first, with sufficient evidence of

DEVELOPER having secured such necessary licenses, agreements, permits and rights of entry, as determined and approved by DISTRICT and CITY.

6. Prior to commencing construction, furnish DISTRICT and CITY with copies of all permits, approvals or agreements required by any federal, state or local resource and/or regulatory agency for the construction, operation and maintenance of PROJECT. Such documents include but are not limited to those issued by the U.S. Army Corps of Engineers, California Regional Water Quality Control Board, California State Department of Fish and Wildlife, State Water Resources Control Board and Western Riverside County Regional Conservation Authority ("REGULATORY PERMITS").

7. Provide CITY, at the time of providing written notice to DISTRICT and CITY of the start of construction as set forth in Section I.8. or not less than twenty (20) days prior to recordation of the final maps for Tract Nos. 36658-1 and 36658-2 or any phase thereof, whichever occurs first, with faithful performance and payment bonds, each in the amount of one hundred percent (100%) of the estimated cost for construction of DISTRICT FACILITIES and APPURTENANCES as determined by DISTRICT and CITY, respectively. The surety, amount and form of the bonds shall be subject to approval of DISTRICT and CITY. The bonds shall remain in full force and effect until DISTRICT FACILITIES and APPURTENANCES are accepted by DISTRICT and CITY, respectively, as complete; at which time, the bond amount may be reduced to ten percent (10%) for a period of one year to guarantee against any defective work, labor or materials.

8. Notify DISTRICT (Attention: Contract Services Section) and CITY in writing at least twenty (20) days prior to the start of construction of PROJECT. Construction shall not begin on any element of PROJECT, for any reason whatsoever, until DISTRICT and

CITY have issued to DEVELOPER a written Notice to Proceed authorizing DEVELOPER to commence construction of PROJECT.

9. Grant DISTRICT and CITY, by execution of this Agreement, the right to enter upon DEVELOPER's property where necessary and convenient for the purpose of gaining access to and performing inspection service for the construction of PROJECT as set forth herein.

10. Obtain and provide DISTRICT (Attention: Real Estate Services Section), at the time of providing written notice to DISTRICT and CITY of the start of construction as set forth in Section I.8. or not less than twenty (20) days prior to the recordation of the final maps for Tract Nos. 36658-1 and 36658-2, with duly executed Irrevocable Offer(s) of Dedication to the public for flood control and drainage purposes, including ingress and egress, for the rights of way deemed necessary by DISTRICT for the construction, inspection, operation and maintenance of DISTRICT FACILITIES. The Irrevocable Offer(s) of Dedication shall be in a form approved by DISTRICT and shall be executed by all legal and equitable owners of the property described in the offer(s).

11. Furnish DISTRICT, when submitting the Irrevocable Offer(s) of Dedication as set forth in Section I.10., with Preliminary Reports on Title dated not more than thirty (30) days prior to date of submission of all the property described in the Irrevocable Offer(s) of Dedication.

12. Furnish DISTRICT and CITY, at the time of providing written notice to DISTRICT and CITY of the start of construction as set forth in Section I.8., with a complete list of all contractors and subcontractors to be performing work on PROJECT, including the corresponding license number and license classification of each. At such time, DEVELOPER shall further identify in writing its designated superintendent for PROJECT construction.



13. Furnish DISTRICT and CITY, at the time of providing written notice to DISTRICT and CITY of the start of construction as set forth in Section I.8., a construction schedule which shall show the order and dates in which DEVELOPER or DEVELOPER's contractor proposes to carry out the various parts of work, including estimated start and completion dates. As construction of PROJECT progresses, DEVELOPER shall update said construction schedule as requested by DISTRICT and/or CITY.

14. Furnish DISTRICT with final mylar plans ("RECORD DRAWINGS") for PROJECT, and assign their ownership to DISTRICT prior to the start on any portion of PROJECT construction.

15. Not permit any change to or modification of DISTRICT and CITY approved IMPROVEMENT PLANS without the prior written permission and consent of DISTRICT and CITY.

16. Comply with all Cal/OSHA safety regulations, including but not limited to regulations concerning confined space and maintain a safe working environment for DEVELOPER, DISTRICT and CITY employees on the site.

17. Furnish DISTRICT and CITY, at the time of providing written notice to DISTRICT and CITY of the start of construction as set forth in Section I.8., with a confined space entry procedure specific to PROJECT. The procedure shall comply with requirements contained in California Code of Regulations, Title 8, Section 5158, Other Confined Space Operations; Section 5157, Permit Required Confined Space; and District Confined Space Procedures, SOM-18. The procedure shall be reviewed and approved by DISTRICT and CITY prior to the issuance of a Notice to Proceed, which shall be given by DISTRICT to DEVELOPER upon DISTRICT's and CITY's approval.

18. DEVELOPER shall not commence operations until DISTRICT and CITY have been furnished with original certificate(s) of insurance and original certified copies of endorsements and, if requested, certified original policies of insurance, including all endorsements and any and all other attachments. Prior to DISTRICT issuing a Notice to Proceed to DEVELOPER's construction contractor(s) to begin construction of PROJECT, an original certificate of insurance evidencing the required insurance coverage shall be provided to DISTRICT and CITY. At minimum, the procured insurance coverages should adhere to DISTRICT's and CITY's required insurance provided in Exhibit "C", attached hereto and made a part hereof. Failure to maintain the insurance required by this paragraph shall be deemed a material breach of this Agreement and shall authorize and constitute authority for DISTRICT and CITY, at their individual sole discretion, to provide written notice to DEVELOPER that either DISTRICT or CITY will no longer be required to perform their obligations hereunder, nor accept responsibility for ownership, operation and maintenance of PROJECT due, either in whole or in part, to said breach of this Agreement.

19. Construct or cause to be constructed PROJECT at DEVELOPER's sole cost and expense in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS and this Agreement.

20. Within two (2) weeks of completing PROJECT construction, provide DISTRICT (Attention: Construction Management Section) and CITY with written notice that PROJECT construction is substantially complete and requesting that DISTRICT conduct a final inspection of DISTRICT FACILITIES and CITY conduct a final inspection of PROJECT.

21. If right of way conveyance to DISTRICT is required, upon completion of PROJECT construction and upon acceptance by CITY of all rights of way deemed necessary by DISTRICT and CITY for the operation and maintenance of PROJECT, but prior to DISTRICT

acceptance of DISTRICT FACILITIES for ownership, operation and maintenance, convey or cause to be conveyed to DISTRICT the flood control easement(s), including ingress and egress, and/or grant deed(s) for the rights of way, as shown in concept in red diagonal hatching on Exhibit "D" attached hereto and made a part hereof.

22. At the time of recordation of the conveyance document(s) as set forth in Section I.21., furnish DISTRICT with policies of title insurance, each in the amount of not less than (i) fifty percent (50%) of the estimated fee value, as determined by DISTRICT, for each easement parcel to be conveyed to DISTRICT or (ii) one hundred percent (100%) of the estimated value, as determined by DISTRICT, for each fee parcel to be conveyed to DISTRICT, guaranteeing DISTRICT's interest in said property as being free and clear of all liens, encumbrances, assessments, easements, taxes and leases (recorded or unrecorded), and except those which, in the sole discretion of DISTRICT, are acceptable.

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

24. Accept all liability whatsoever associated with the ownership, operation and maintenance of PROJECT until such time as (i) DISTRICT FACILITIES are formally accepted by DISTRICT for ownership, operation and maintenance and (ii) APPURTENANCES are formally accepted by CITY for ownership, operation and maintenance.

25. Pay, if suit is brought upon this Agreement or any bond guaranteeing the completion of PROJECT, all costs and reasonable expenses and fees, including reasonable attorneys' fees, and acknowledge that, upon entry of judgment, all such costs, expenses and fees shall be computed as costs and included in any judgment rendered.

26. Upon completion of PROJECT construction, but prior to DISTRICT acceptance of DISTRICT FACILITIES for ownership, operation and maintenance and CITY acceptance of APPURTENANCES for ownership, operation and maintenance, provide or cause its civil engineer of record or construction civil engineer of record, duly registered in the State of California, to provide DISTRICT and CITY with a redlined RECORD DRAWINGS copy of PROJECT plans. After DISTRICT and CITY approval of the redlined RECORD DRAWINGS, DEVELOPER's engineer shall schedule with DISTRICT a time to transfer the redlined changes onto DISTRICT's original RECORD DRAWINGS at DISTRICT's office, after which the engineer shall review, stamp and sign the original PROJECT engineering plans RECORD DRAWINGS.

27. Ensure that all work performed pursuant to this Agreement by DEVELOPER, its agents or contractors is done in accordance with all applicable laws and regulations, including but not limited to all applicable provisions of the Labor Code, Business and Professions Code, and Water Code. DEVELOPER shall be solely responsible for all costs associated with compliance with applicable laws and regulations.

## SECTION II

DISTRICT shall:

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

2. Provide CITY an opportunity to review and, if CITY deems appropriate in its sole and absolute discretion, approve IMPROVEMENT PLANS prior to DISTRICT's final approval. DISTRICT shall not approve IMPROVEMENT PLANS until CITY has provided its approval pursuant to this Section.

3. Upon execution of this Agreement, record or cause to be recorded a copy of this Agreement in the Official Records of the Riverside County Recorder.

4. If applicable, record or cause to be recorded the Irrevocable Offer(s) of Dedication pursuant to Section I.10. Neither this section nor Section I.10 restricts CITY's ability to require any other lawful Irrevocable Offer(s) of Dedication from DEVELOPER.

5. Inspect construction of DISTRICT FACILITIES.

6. Keep an accurate accounting of all DISTRICT costs associated with the review and approval of IMPROVEMENT PLANS, the review and approval of right of way and conveyance documents, and the processing and administration of this Agreement.

7. Keep an accurate accounting of all DISTRICT construction inspection costs, and within forty-five (45) days after DISTRICT acceptance of DISTRICT FACILITIES as being complete, submit a final cost statement to DEVELOPER. If the deposit, as set forth in Section I.3., exceeds such costs, DISTRICT shall reimburse DEVELOPER the excess amount within sixty (60) days after DISTRICT acceptance of DISTRICT FACILITIES as being complete.

8. Prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES, PROJECT shall be in a satisfactorily maintained condition as solely determined by DISTRICT and shall have been accepted by DISTRICT for ownership, operation and maintenance. If, subsequent to the inspection and in the sole discretion of DISTRICT, DISTRICT FACILITIES are not in an acceptable condition, corrections shall be made at sole expense of DEVELOPER.

9. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT FACILITIES from DEVELOPER upon (i) DISTRICT inspection of DISTRICT FACILITIES in accordance with Section I.20., (ii) DISTRICT acceptance of

DISTRICT FACILITIES construction as being complete, (iii) DISTRICT receipt of stamped and signed "RECORD DRAWINGS" of PROJECT plans, as set forth in Section I.26., (iv) DISTRICT acceptance of all rights of way as deemed necessary by DISTRICT and CITY for the ownership, operation and maintenance of DISTRICT FACILITIES and APPURTENANCES, (v) CITY acceptance of APPURTENANCES for ownership, operation and maintenance and (vi) DISTRICT's sole determination that DISTRICT FACILITIES are in a satisfactorily maintained condition.

10. Provide CITY with a reproducible duplicate copy of RECORD DRAWINGS of PROJECT plans within 10 days of receipt.

11. In the event CITY wishes to utilize DISTRICT's construction inspection, materials testing and construction survey services, and CITY provides DISTRICT with a written request for such services under Section III.3., DISTRICT shall provide a timely response whether or not they have the resources to perform such services. If DISTRICT wishes to provide such services, DISTRICT shall provide all necessary construction inspection, materials testing and construction survey services for PROJECT and assist CITY as needed with the administration of PROJECT's construction contract. DISTRICT hereby agrees to pay all DISTRICT costs associated with the inspection of PROJECT construction, as set forth herein.

### SECTION III

CITY shall:

1. Review and approve IMPROVEMENT PLANS prior to the start of PROJECT construction.

2. Accept CITY and DISTRICT approved faithful performance and payment bonds submitted by DEVELOPER as set forth in Section I.7., and hold said bonds as provided herein.

3. Inspect PROJECT construction or cause PROJECT's construction to be inspected by its construction manager, to be reimbursed by DEVELOPER. In the event CITY wishes to utilize DISTRICT's construction inspection, materials testing and construction survey services, CITY shall provide DISTRICT with a written request (Attn: Construction Management) for such services pursuant to Section II.11 above.

4. Upon request by DISTRICT, CITY shall review any requested Irrevocable Offer(s) of Dedication in connection with the PROJECT and accept any such Irrevocable Offers of Dedication on behalf of DISTRICT. In the same action, CITY shall immediately convey the property interest(s) associated with the requested Irrevocable Offer(s) of Dedication to DISTRICT via quitclaim or other similar conveyance document, which shall be prepared by DISTRICT. DISTRICT shall be deemed to have accepted the property interest(s) associated with the requested Irrevocable Offer(s) of Dedication upon the recordation of the conveyance document.

5. Grant DISTRICT, by execution of this Agreement, the right to inspect, operate and maintain DISTRICT FACILITIES within CITY rights of way, provided DISTRICT (including its employees, supervisors, agents, contractors and anyone else operating under their direction) exercises such right(s) in a safe and reasonable manner that does not adversely impact the public health and safety.

6. Accept ownership and sole responsibility for the operation and maintenance of APPURTENANCES upon (i) CITY inspection of PROJECT in accordance with Section I.20., (ii) CITY and DISTRICT acceptance of PROJECT construction as being complete, (iii) CITY receipt of signed reproducible duplicate copy of RECORD DRAWINGS of PROJECT plans, as set forth in Section II.10., (iv) CITY acceptance of all rights of way as deemed necessary by DISTRICT and CITY for the ownership, operation and maintenance of DISTRICT

FACILITIES and APPURTENANCES and (v) CITY's sole determination that PROJECT is in a satisfactorily maintained condition. In addition to the foregoing, CITY's acceptance under this section shall not be effective until DISTRICT's acceptance of DISTRICT FACILITIES under Section II, above. As such, until DISTRICT accepts DISTRICT FACILITIES, the ownership and maintenance obligations regarding the APPURTENANCES shall be the sole responsibility of DEVELOPER.

7. Release occupancy permits in accordance with the approved conditions of approval.

8. Notwithstanding any of the foregoing, prior to accepting ownership of APPURTENANCES, PROJECT shall be in a satisfactorily maintained condition as solely determined by CITY. If, subsequent to the inspection and in the sole discretion of CITY, APPURTENANCES are not in an acceptable condition, corrections shall be made at sole expense of DEVELOPER.

9. Upon DISTRICT and CITY acceptance of PROJECT construction as being complete, accept sole responsibility for the adjustment of all PROJECT manhole rings and covers located within CITY rights of way which must be performed at such time(s) that the finished grade along and above the underground portion of DISTRICT FACILITIES is improved, repaired, replaced or changed. It being further understood and agreed that any such adjustments shall be performed at no cost to DISTRICT.

#### SECTION IV

It is further mutually agreed by the parties hereto that:

1. All work involved with PROJECT shall be inspected by DISTRICT and CITY, and shall not be deemed complete until DISTRICT and CITY mutually agree in writing



that construction of the PROJECT is completed in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.

2. CITY and DEVELOPER personnel may observe and inspect all work being done on PROJECT, but shall provide any comments to DISTRICT personnel who shall be solely responsible for all quality control communications with DEVELOPER's contractor(s) during the construction of PROJECT. Prior to any communication with DEVELOPER under this section, DISTRICT and CITY personnel shall meet and confer and agree to all communications conveyed to DEVELOPER. If DISTRICT and CITY should disagree as to the content of any particular communication, DISTRICT personnel agree to communicate CITY comments to DEVELOPER in addition to DISTRICT comments.

3. DEVELOPER shall complete construction of PROJECT within eighteen (18) consecutive months after receipt of Notice to Proceed from DISTRICT and CITY. It is expressly understood that since time is of the essence in this Agreement, failure of DEVELOPER to perform the work within the agreed upon time shall constitute authority for DISTRICT to perform the remaining work and require DEVELOPER's surety to pay to CITY the penal sum of any and all bonds. In which case, CITY shall subsequently reimburse DISTRICT for DISTRICT costs incurred.

4. If DEVELOPER fails to commence construction of PROJECT within nine (9) months after the Notice to Proceed is issued, then DISTRICT and CITY reserve the right to review the existing site conditions as they exist at the time DEVELOPER provides written notification to DISTRICT and CITY of the start of construction as set forth in Section I.8. In the event of a change in the existing site conditions that materially affects PROJECT function or DISTRICT's ability to operate and maintain DISTRICT FACILITIES or CITY's ability to operate and maintain APPURTENANCES, DISTRICT or CITY may require DEVELOPER to modify

IMPROVEMENT PLANS as deemed necessary by DISTRICT or CITY. Under no circumstances shall either DISTRICT or CITY be allowed to modify the IMPROVEMENT PLANS without the consent of the other.

5. DISTRICT and CITY shall endeavor to issue DEVELOPER a Notice to Proceed within twenty (20) days of receipt of DEVELOPER's complete written notice, as set forth in Section I.8., and submittal of all the required items as set forth in this Agreement, including but not limited to Sections I.3., I.4., I.7., I.10., I.12., I.13., I.17. and I.18; however, DISTRICT's and CITY's construction inspection staff is limited and may take up to 60 days for the issuance of a Notice to Proceed as determined by the DISTRICT and CITY.

In the event DEVELOPER wishes to expedite issuance of the Notice(s) to Proceed, DEVELOPER may elect to furnish an independent qualified construction inspector at DEVELOPER's sole cost and expense. DEVELOPER shall furnish appropriate documentation of the individual's credentials and experience to DISTRICT and CITY for review and, if appropriate, approval, as determined by DISTRICT and CITY in their reasonable discretion. DISTRICT and CITY shall review the individual's qualifications and experience and upon approval thereof, said individual, hereinafter called "DEPUTY INSPECTOR", shall be authorized to act on DISTRICT's and CITY's behalf on all PROJECT construction and quality control matters. If DEVELOPER's initial construction inspection deposit furnished pursuant to Section I.3. exceeds ten thousand dollars (\$10,000), DISTRICT shall refund to DEVELOPER up to eighty percent (80%) of DEVELOPER's initial inspection deposit within forty-five (45) days of DISTRICT's approval of DEPUTY INSPECTOR; however, a minimum balance of ten thousand dollars (\$10,000) shall be retained on account.

6. PROJECT construction work shall be on a five (5) day, forty (40) hour work week with no work on Saturdays, Sundays or DISTRICT or CITY designated legal

holidays, unless otherwise approved in writing by DISTRICT and CITY. If DEVELOPER feels it is necessary to work more than the normal forty (40) hour work week or on holidays, DEVELOPER shall make a written request for permission to DISTRICT and CITY to work the additional hours. The request shall be submitted to DISTRICT and CITY at least seventy-two (72) hours prior to the requested additional work hours and state the reasons for the overtime and the specific time frames required. The decision of granting permission for overtime work shall be made by DISTRICT and CITY, whose respective decisions can be given in their sole discretion and shall be final. If permission is granted by DISTRICT and CITY, DEVELOPER will be charged the cost incurred at the overtime rates for additional inspection time required in connection with the overtime work in accordance with Ordinance Nos. 671 and 749, including any amendments thereto, of the County of Riverside, as well as CITY's applicable fee schedule and/or other related ordinance or regulation. Notwithstanding the foregoing, should DISTRICT agree to provide inspection and management services to CITY pursuant to a request by CITY under Section II(11) and Section III(3), above, CITY can also agree to not require its consent under this section.

7. INDEMNIFICATION OBLIGATIONS:

- i. DEVELOPER INDEMNIFICATION OF DISTRICT AND THE COUNTY OF RIVERSIDE. DEVELOPER shall indemnify and hold harmless DISTRICT and the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as "Indemnitees") from any liability whatsoever, claim, damage, proceeding or action, present or future,

based upon, arising out of or in any way relating to DEVELOPER's (including its officers, employees, contractors, subcontractors and agents) actual or alleged acts or omissions related to this Agreement, performance under this Agreement, or failure to comply with the requirements of this Agreement, including but not limited to: (a) property damage; (b) bodily injury or death; (c) liability or damage pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution or any other law, ordinance or regulation caused by the diversion of waters from the natural drainage patterns or the discharge of drainage within or from PROJECT; or (d) any other element of any kind or nature whatsoever arising from the performance of DEVELOPER, its officers, employees, contractors, subcontractors, agents or representatives ("Indemnitors") from this Agreement.

DEVELOPER shall defend, at its sole expense, including all costs and fees (including but not limited to attorney fees, cost of investigation, defense and settlements or awards), the Indemnitees in any claim, proceeding or action for which indemnification is required.

With respect to any action or claim subject to indemnification herein by DEVELOPER, DEVELOPER shall, at its sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, compromise any such claim, proceeding or action without the prior consent of DISTRICT and the County of Riverside; provided, however, that any such adjustment, settlement or compromise in no

manner whatsoever limits or circumscribes DEVELOPER's indemnification obligations to the Indemnitees as set forth herein.

DEVELOPER's indemnification obligations hereunder shall be satisfied when DEVELOPER has provided to DISTRICT and the County of Riverside the appropriate form of dismissal (or similar document) relieving DISTRICT and the County of Riverside from any liability for the claim, proceeding or action involved.

- ii. DEVELOPER INDEMNIFICATION OF CITY. DEVELOPER shall indemnify and hold harmless CITY (including its governing bodies, agencies, districts, special districts and departments, their respective directors, officers, councilmembers, elected and appointed officials, employees, agents and representatives) from any liability, claim, damage, proceeding or action, present or future, based upon, arising out of or in any way relating to this Agreement, or DEVELOPER's (including its officers, employees, subcontractors and agents) actual or alleged acts or omissions related to this Agreement, DEVELOPER's performance under this Agreement, or DEVELOPER's failure to comply with the requirements of this Agreement, including, but not limited to: (a) property damage; (b) bodily injury or death; (c) liability or damage pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution or any other law, ordinance or regulation caused by the diversion of waters from the natural drainage patterns or the discharge of drainage

within or from PROJECT; or (d) any other element of any kind or nature whatsoever.

DEVELOPER shall defend, at its sole expense, including all costs and fees (including but not limited to attorney fees, cost of investigation, defense and settlements or awards), CITY (including its governing bodies, respective directors, officers elected and appointed officials, employees, agents and representatives) with legal counsel reasonably satisfactory to CITY in any claim proceeding or action for which indemnification is required. If DEVELOPER fails to meet its indemnification obligation, CITY shall have the right, but not the obligation, to do so with counsel of their own choosing, with no right of approval by DEVELOPER and, if it does, DEVELOPER shall promptly pay CITY's full cost thereof, with payments made at least on a monthly basis.

DEVELOPER's indemnification obligations as to CITY shall be satisfied when DEVELOPER has provided to CITY a form of dismissal regarding any liability for the claim, proceeding or action involved, and CITY determines that the form of dismissal is adequate in their sole and absolute discretion. Notwithstanding the foregoing, DEVELOPER shall enter into no settlement agreement or final resolution of any pending claim covered under this subsection, without CITY's prior written approval.

- iii. Should DISTRICT and CITY fail to agree with the implementation of this section, or if a pending claim pertains to only one of the two

parties, DEVELOPER shall be required to comply with this section as to DISTRICT and CITY individually.

- iv. The specified insurance limits required in this Agreement shall in no way limit or circumscribe DEVELOPER's obligations to indemnify and hold harmless the Indemnitees and CITY from third party claims.
- v. In the event there is conflict between this section and California Civil Code Section 2782, this section shall be interpreted to comply with California Civil Code Section 2782. Such interpretation shall not relieve DEVELOPER from indemnifying the Indemnitees or CITY to the fullest extent allowed by law.

8. DEVELOPER for itself, its successors and assigns hereby releases DISTRICT, the County of Riverside and CITY (including their agencies, districts, special districts and departments, their respective directors, officer, Board of Supervisors, elected and appointed officials, employees, agents and representatives) from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, including but not limited to any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other liability or damage whatsoever for damage caused by the discharge of drainage within or from PROJECT. Nothing contained herein shall constitute a release by DEVELOPER of DISTRICT or the County of Riverside, or their officers, agents and employees from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, for the negligent maintenance of DISTRICT FACILITIES, after the acceptance of ownership, operation and maintenance of DISTRICT FACILITIES by DISTRICT.

9. Any waiver by DISTRICT or by CITY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of DISTRICT or CITY to require exact, full and complete compliance with any terms of this Agreement shall not be construed as, in any manner, changing the terms hereof or estopping DISTRICT or CITY from enforcement hereof.

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

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

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

To CITY: CITY OF MENIFEE  
29844 Haun Road  
Menifee, CA 92586  
Attn: Yolanda Macalalad, Acting City Engineer, Land Development  
Section

To DEVELOPER: CIMARRON RIDGE, LLC  
2900 Adams Street, Suite C25  
Riverside, CA 92504  
Attn: Craig Mazzara

12. Any action at law or in equity brought by any of the parties hereto for the purpose of enforcing a right or rights provided for by the Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereto



waive all provisions of law providing for a change of venue in such proceedings to any other county.

13. This Agreement is the result of negotiations between the parties hereto and the advice and assistance of their respective counsel; as such, the authorship of this Agreement shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT prepared this Agreement in its final form. Likewise, any uncertainty or ambiguity in this Agreement shall not be construed against CITY because CITY participated in the preparation of this Agreement.

14. The rights, obligations and releases (including the indemnification obligations) of DEVELOPER shall inure to and be binding upon all heirs, successors and assignees.

15. In the event DEVELOPER sells Tract Nos. 36658-1 or 36658-2, DEVELOPER shall notify DISTRICT and CITY of any such transfer or assignment in writing no later than 30 days from the date of the sale. DEVELOPER expressly understands and agrees that it shall remain liable with respect to any and all of the obligations and duties contained in this Agreement until DISTRICT, CITY, DEVELOPER and the new owner(s) of Tract Nos. 36658-1 or 36658-2 fully execute an assignment and assumption agreement that transfers all DEVELOPER's rights, duties or obligations hereunder to the new owner(s) of Tract Nos. 36658-1 or 36658-2.

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

17. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the parties hereto.

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

//

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

\_\_\_\_\_  
(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

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

By \_\_\_\_\_  
JASON E. UHLEY  
General Manager-Chief Engineer

By \_\_\_\_\_  
KAREN SPIEGEL, Chair  
Riverside County Flood Control and Water  
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

GREGORY P. PRIAMOS  
County Counsel

KECIA HARPER  
Clerk of the Board

By \_\_\_\_\_  
LEILA MOSHREF-DANESH  
Deputy County Counsel

By \_\_\_\_\_  
Deputy

(SEAL)

Cooperative Agreement with City of Menifee and Cimarron Ridge, LLC  
Sun City – Cedar Court Storm Drain, Stages 2 and 3  
Project No. 4-0-00308  
Tract Nos. 36658-1 and 36658-2  
12/22/2020  
RKM:se

RECOMMENDED FOR APPROVAL:      **CITY OF MENIFEE**

By \_\_\_\_\_  
YOLANDA S. MACALALAD  
Acting City Engineer

By \_\_\_\_\_  
ARMANDO G. VILLA  
City Manager

APPROVED AS TO FORM:

ATTEST:

By \_\_\_\_\_  
JEFFREY T. MELCHING  
City Attorney

By \_\_\_\_\_  
SARAH MANWARING  
City Clerk

(SEAL)

Cooperative Agreement with City of Menifee and Cimarron Ridge, LLC  
Sun City – Cedar Court Storm Drain, Stages 2 and 3  
Project No. 4-0-00308  
Tract Nos. 36658-1 and 36658-2  
12/22/2020  
RKM:se

**CIMARRON RIDGE, LLC,**  
a California limited liability company

BY: Van Daele Investment Properties, LLC  
Its Managing Member

By   
JEFFREY M. HACK  
President

(ATTACH NOTARY WITH CAPACITY STATEMENT)

Cooperative Agreement with City of Menifee and Cimarron Ridge, LLC  
Sun City – Cedar Court Storm Drain, Stages 2 and 3  
Project No. 4-0-00308  
Tract Nos. 36658-1 and 36658-2  
12/22/2020  
RKM:se

**CALIFORNIA 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 Riverside

On December 31, 2020 before me, Kelly Palmer Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Jeffrey M. Mack  
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.

Place Notary Seal and/or Stamp Above

Signature

Kelly Palmer  
Signature of Notary Public

**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 or 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

☐ Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

☐ Corporate Officer – Title(s): \_\_\_\_\_

☐ Partner – ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

# 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:

PARCEL 1 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.

## COOPERATIVE AGREEMENT

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

Tract Nos. 36658-1 and 36658-2

Page 1 of 2

# **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:

PARCEL 2 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.

## **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

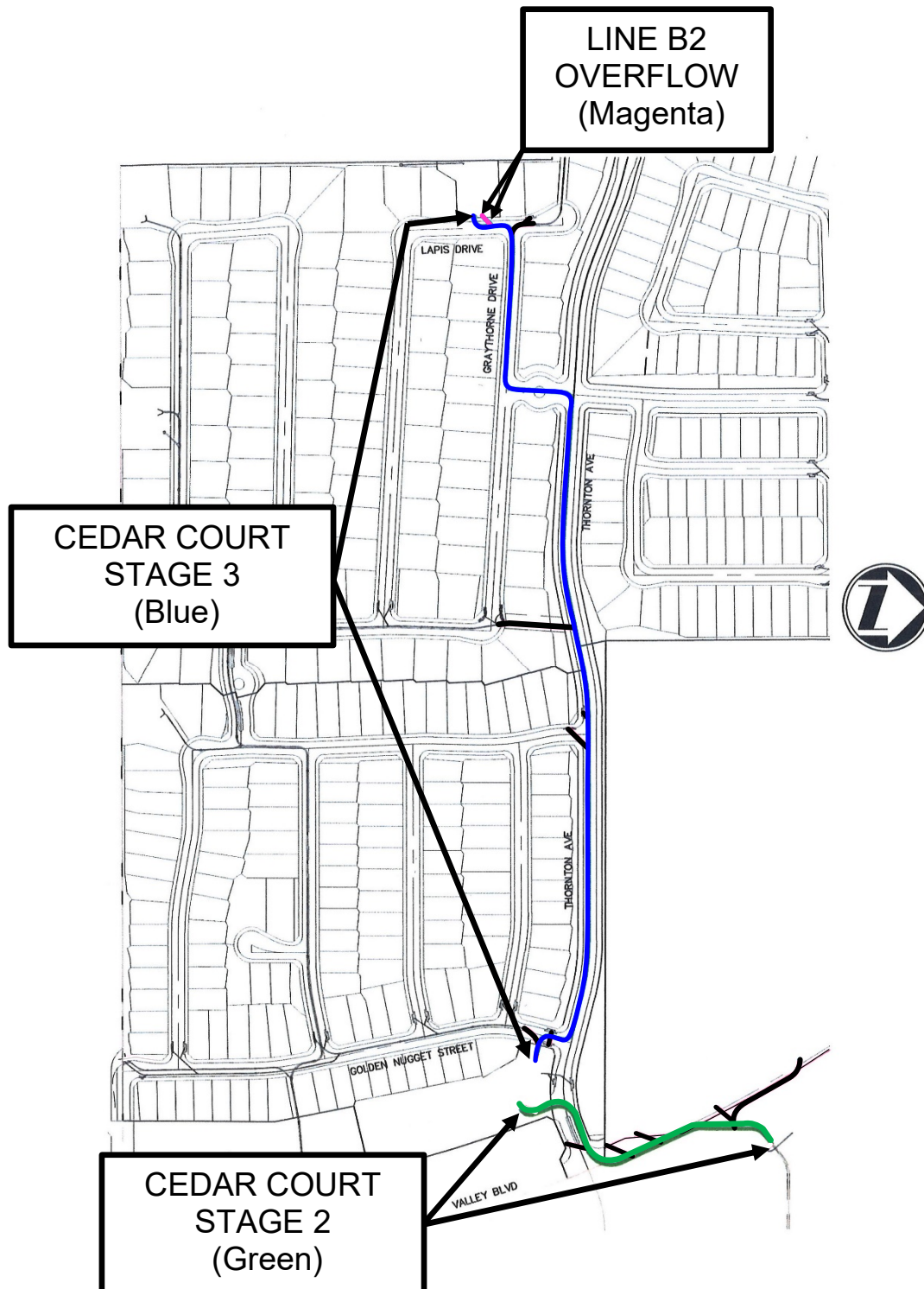
Project No. 4-0-00308

Tract Nos. 36658-1 and 36658-2

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## Exhibit B



### COOPERATIVE AGREEMENT

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

Tract Nos. 36658-1 and 36658-2

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## **Exhibit C**

### **DISTRICT's and CITY's Required Insurance is as follows:**

Without limiting or diminishing DEVELOPER's obligation to indemnify or hold DISTRICT or CITY harmless, DEVELOPER shall procure and maintain or cause to be maintained by its contractor, at its sole cost and expense, the following insurance coverages during the term of this Agreement. As respects to the insurance section only, the DISTRICT herein refers to the Riverside County Flood Control and Water Conservation District, the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

A. **Workers' Compensation:**

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

B. **Commercial General Liability:**

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury and cross liability coverage,

### **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

Tract Nos. 36658-1 and 36658-2

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## **Exhibit C**

covering claims which may arise from or out of DEVELOPER's performance of its obligations hereunder. Additionally, Commercial General Liability insurance no less broad than ISO form CG 00 01. Policy shall name DISTRICT and CITY and its agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as additional insureds. Policy's limit of liability shall not be less than \$5,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. DISTRICT and CITY must be an additional insured for liability arising out of ongoing and completed operations by or on behalf of DEVELOPER. DISTRICT and CITY shall continue to be an additional insured for completed operations for two years after completion of the work. If DEVELOPER maintains higher limits than the specified minimum limits, DISTRICT and CITY require and shall be entitled to coverage for the higher limits maintained by DEVELOPER.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then DEVELOPER shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less

### **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

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## **Exhibit C**

than two (2) times the occurrence limit. Policy shall name DISTRICT, and its agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives, and CITY as additional insureds.

D. Professional Liability:

DEVELOPER shall cause any architect or engineer retained by DEVELOPER in connection with the performance of DEVELOPER's obligations under this Agreement to maintain Professional Liability Insurance providing coverage for the performance of their work included within this Agreement, with a limit of liability of not less than \$2,000,000 per occurrence and \$2,000,000 annual aggregate. DEVELOPER shall require that, if such Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and that such architect or engineer shall purchase at such architect or engineer's sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with a retroactive date back to the date of, or prior to the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that such architect or engineer has maintained continuous coverage with the same or original insurer. Coverage provided under items: 1), 2) or 3) shall continue for the term specified in the insurance policy, which shall be reasonably acceptable to DISTRICT and CITY.

### **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

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## **Exhibit C**

### **E. General Insurance Provisions – All Lines:**

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

### **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

Tract Nos. 36658-1 and 36658-2

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## **Exhibit C**

endorsements effecting coverage as required herein; and 2) if requested to do so orally or in writing by CITY or the DISTRICT Risk Manager, provide original certified copies of policies including all endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to DISTRICT and CITY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If DEVELOPER insurance carrier(s) policies does not meet the minimum notice requirement found herein, DEVELOPER shall cause DEVELOPER's insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

- iv. It is understood and agreed by the parties hereto that DEVELOPER's and/or its contractor's insurance shall be construed as primary insurance, and DISTRICT's and CITY's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
- v. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or the term of this Agreement, including any extensions thereof,

### **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

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## **Exhibit C**

exceeds five (5) years, DISTRICT and CITY reserve the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverages currently required herein, if, in CITY's or the DISTRICT Risk Manager's reasonable judgment, the amount or type of insurance carried by DEVELOPER has become inadequate.

- vi. DEVELOPER shall pass down the insurance obligations contained herein to all tiers of contractors and subcontractors working under this Agreement.
- vii. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to DISTRICT and CITY.
- viii. DEVELOPER agrees to notify DISTRICT and CITY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

DEVELOPER hereby agrees to waive rights of subrogation which any insurer of DEVELOPER may acquire from DEVELOPER by virtue of the payment of any loss. DEVELOPER agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the CITY or DISTRICT has received a waiver of subrogation endorsement from the insurer. However, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County of Riverside, CITY, and the Riverside County Flood Control and Water Conservation District for all work performed by the DEVELOPER, its employees, agents, contractors and subcontractors.

### **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

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## **Exhibit C**

The insurance required by this section must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the DEVELOPER must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.

### **COOPERATIVE AGREEMENT**

Sun City – Cedar Court Storm Drain, Stages 2 and 3

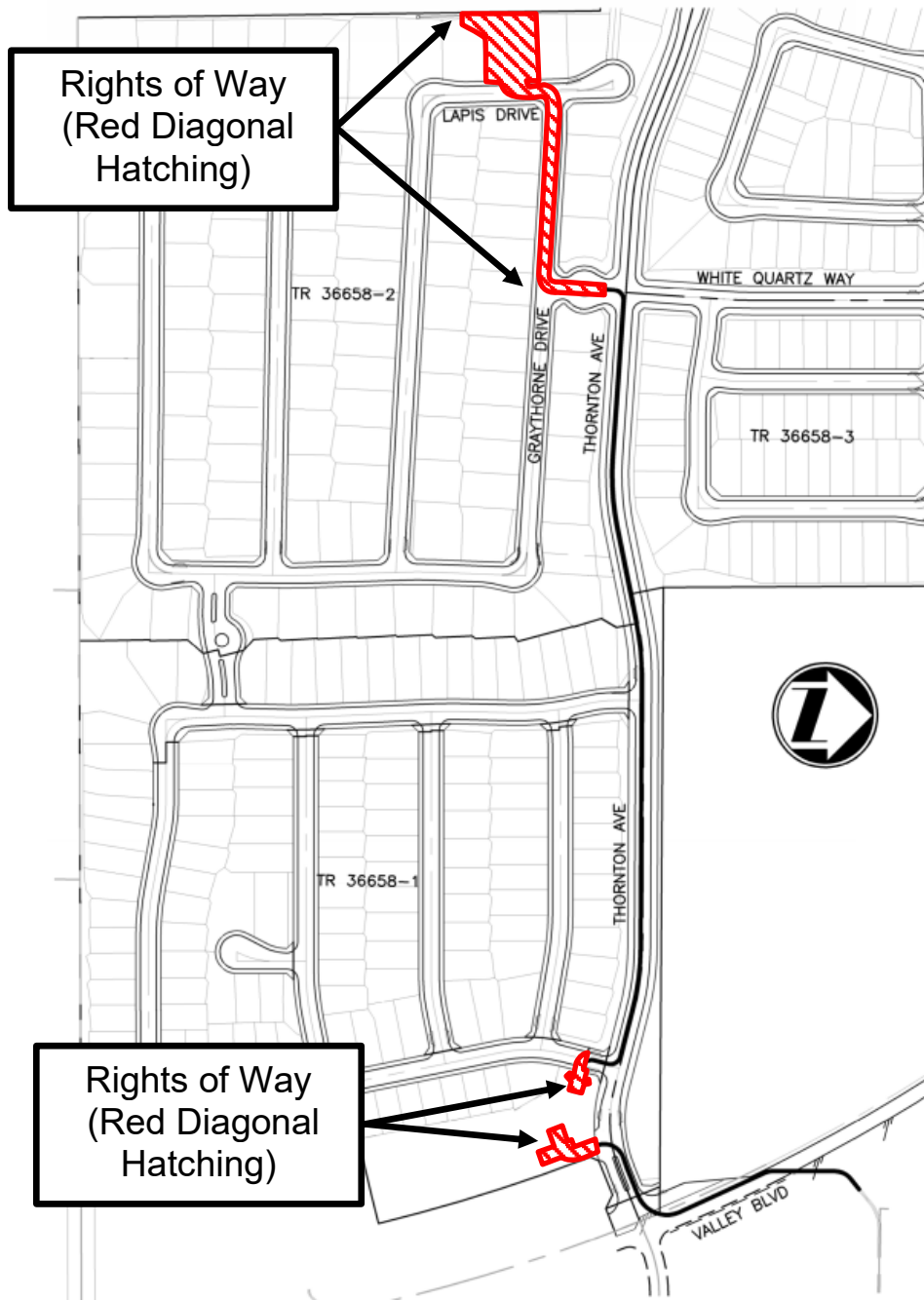
Project No. 4-0-00308

Tract Nos. 36658-1 and 36658-2

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## Exhibit D



### COOPERATIVE AGREEMENT

Sun City – Cedar Court Storm Drain, Stages 2 and 3

Project No. 4-0-00308

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