

**Board of Directors**  
W. Ben Wicke, Division 1  
Harvey R. Ryan, Division 2  
Judy Guglielmana, Division 3  
Phil Williams, Division 4  
Andy Morris, Division 5



**General Manager**  
John D. Vega  
**District Secretary**  
Terese Quintanar  
**Legal Counsel**  
Best Best & Krieger

*Our Mission...*

EVMWD will provide reliable, cost-effective, high quality water and wastewater services that are dedicated to the people we serve.

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DATE: December 23, 2013

TO: Board of Directors

FROM: General Manager

**SUBJECT: CONSIDER APPROVAL OF REIMBURSEMENT AGREEMENT REGARDING FACILITIES AND FACILITIES FEES WITH CORNERSTONE COMMUNITY CHURCH**

**PURPOSE**

Consider approval of a reimbursement agreement for sewer line extension on Monte Vista Road

**RECOMMENDATION**

The General Manager and staff recommend that the Board of Directors:

1. Approve a Reimbursement Agreement with Cornerstone Community Church; and,
2. Authorize the General Manager to execute the appropriate documents on behalf of EVMWD.

**BACKGROUND**

The Cornerstone Community Church ("Cornerstone") is located east of the I-15 on Monte Vista Drive. Cornerstone is planning on adding a 175 student pre-school to the existing church and other buildings, and have planned additional improvements in the next three to five years.. The church currently utilizes septic tanks and seepage pits. The existing and future flows could exceed 4 million gallons annually. Such systems percolate their discharges underground in the areas surrounding the property, and contain nitrates and salt, both of which can ultimately contaminate local groundwater, which is the community's drinking water supply.

In order to protect the groundwater, the attached reimbursement agreement provides for EVMWD to fund sewer facility improvements to accommodate existing and future sewer flows. The improvements include 1,900 LF of 8 inch sewer in Monte Vista Road from the

church entry to the existing 8 inch sewer that goes under I-15 and into Canyon road, which flows to the trunk sewer in Mission Trail Road and then to Regional Water Reclamation Facility.

This facility will benefit Cornerstone as well as seven additional parcels. As each parcel connects to EVMWD's sewer system, EVMWD will collect a proportionary share of the cost of the sewer facility.

Cornerstone has reviewed agreement and is prepared to execute it. Staff recommends that the Board approve the agreement and authorize the General manager to execute the appropriate documents.

### **ENVIRONMENTAL WORK STATUS**

This item is not a project under CEQA. Any components covered by the agreement, which require CEQA analysis, will be analyzed once a project has been identified and details are available.

### **FISCAL IMPACT**

- Within Budget – This is not a budgeted item. Funding in the estimated amount of \$696,420 will be provided by Sewer Replacement Fund 333, to be reimbursed by all of the benefiting parcels as each parcel connects to the District's sewer system.

Originated by: Margie Armstrong – Finance

Reviewed by: –

Attachments:

Reimbursement Agreement

**REIMBURSEMENT AGREEMENT**  
**REGARDING FACILITIES AND FACILITIES FEES**  
between  
ELSINORE VALLEY MUNICIPAL WATER DISTRICT  
a public agency  
and  
CORNERSTONE COMMUNITY CHURCH OF WILDOMAR  
a California Non-Profit Corporation

Dated December \_\_\_\_, 2013

**REIMBURSEMENT AGREEMENT  
REGARDING SEWER FACILITIES**

This Reimbursement Agreement Regarding Sewer Facilities ("Agreement") is entered into as of the \_\_\_\_ of December, 2013 by and between the Elsinore Valley Municipal Water District, a public agency, ("EVMWD") and Cornerstone Community Church of Wildomar, a California Non-Profit Corporation ("Consumer") (referred to collectively herein as "Parties").

This Agreement shall not become effective until the date ("Effective Date") on which this Agreement has been approved by the Board of Directors of EVMWD and executed by the appropriate authorities of EVMWD and Consumer.

**RECITALS**

A. Consumer owns certain real property currently located in the City of Wildomar, County of Riverside, which is commonly known and referred to as "Cornerstone Church" ("Property"). Said Property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. The Property is located within the boundaries of EVMWD. The Property is proposed to add a new 1 story, 17,135 square foot, 175 students pre-school building to the existing church and other buildings, which will then have approximately forty two (42) equivalent dwelling units ("EDUs"). Consumer has applied for a Public Use Permit (No. 12-0194) from the City of Wildomar to construct the proposed additions to the property.

B. Consumer has existing water service with EVMWD, and currently utilizing septic tank and seepage pits for sewer treatment to the Property. EVMWD is willing to provide sewer service to the Property in accordance with its rules and regulations for the provision of sewer service, including the payment of applicable fees and construction and installation of certain facilities as set forth herein.

C. Certain sewer facilities must be designed, constructed, installed, and then conveyed to EVMWD in order to provide service to the Property ("Facilities"). EVMWD shall design, construct and install these Facilities at its sole cost and expense or pay for the cost of design and construction of these facilities.

D. It is the desire of EVMWD that the Facilities be of such capacity and in such location as to provide for the orderly extension of EVMWD's sewer system. As a result, a portion of the Facilities will be capable of providing sewer service to adjacent and additional real property that is not a part of the Property.

E. The purpose of this Agreement is to designate the responsibility for the cost of designing, constructing and installing the Facilities. The Parties recognize that it is in their best interests to have EVMWD design, construct, and install the Facilities so as to efficiently implement EVMWD's overall capital improvement master plan and avoid duplication of facilities. The provisions of this Agreement shall be in addition to all other obligations and fees required in order to initiate the provision of sewer service to the Property.

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

1. Water Service

1.1 Payment Of Water Capacity Fees. Consumer shall pay to EVMWD all applicable capacity fees ("Water Capacity Fees") at the times provided in this Agreement or otherwise required pursuant to the applicable EVMWD ordinance or resolution or other agreement between the Parties, which fees and amounts currently (as of July 1, 2013), as shown on Exhibit "B."

2. Sewer Service

2.1 Payment of Sewer and Recycled Capacity Fees. Consumer shall pay to EVMWD all applicable capacity fees ("Sewer Capacity Fees") at the times provided in this Agreement or otherwise required pursuant to the applicable EVMWD ordinance or resolution or other agreement between the Parties, which fees and amounts currently (as of July 1, 2013 as shown on Exhibit "B").

2.2 Construction and Installation Of Facilities. EVMWD shall be responsible for design, construction and installation of the Facilities in connection with the provision of sewer service to the Property. Said Facilities are more particularly described in Exhibit "C" "Estimated Facilities Costs", attached hereto and incorporated herein by reference.

(a) Design and Construction. EVMWD shall design and construct the Facilities in accordance with all federal, state, and local requirements. EVMWD shall commence with the design of the Facilities at the execution of the agreement. Upon approval of Consumer's Public Use Permit No. 12-0194, and after the statutory filing period for an opposing lawsuit, if Consumer has no pending legal actions related to the Public Use Permit, EVMWD shall commence with the construction of the Facilities.

(b) Payment. Consumer shall pay its proportionate share of the cost of the Facilities, including the costs associated with compliance with all legal and permitting requirements based on total acreage of all benefiting parcels, as shown on Exhibit "F", attached hereto and incorporated herein by reference. EVMWD will collect from all other benefiting parcels shown on Exhibit "F" as each parcel connects to the EVMWD sewer system.

(c) Time for Completion. The Facilities shall be fully complete as described in Exhibit "D".

2.3 Payment by Consumer for Facilities Constructed by EVMWD. As EVMWD proceeds with the construction of Sewer Facilities identified in Exhibit "C" of this Agreement, Consumer shall make installment payments as follows.

2.3.1 Design Costs. Consumer shall pay its fair share of all design costs according to the schedule included as Exhibit "E", attached hereto and incorporated herein by

reference. Consumer shall within 30 days following EVMWD's notification of the occurrence of the listed event make the applicable payment in full.

2.3.2 Non-Design Costs. Consumer shall pay its fair share of all costs not designated as design costs according to the schedule included as Exhibit "E", attached hereto and incorporated herein by reference. Consumer shall within 30 days following EVMWD's notification of the occurrence of the listed event make the applicable payment in full.

3. Indemnification. EVMWD shall indemnify, defend, and hold harmless Consumer, and its officers, directors, employees, agents, and representatives against all liability, claims, costs, damages, and expenses (including reasonable attorney fees) incurred by Consumer to the extent arising from or related to the sole negligence, recklessness, or willful misconduct of EVMWD during the design, construction, and installation of the Facilities.

Consumer shall indemnify, defend, and hold harmless EVMWD, and its officers, officials, employees, agents, and representatives against all liability, claims, costs, damages, and expenses (including reasonable attorney fees) incurred by EVMWD to the extent arising from or related to the sole negligence, recklessness, or willful misconduct of Consumer during the design, construction, and installation of the Facilities.

4. Standard of Care; Safety. EVMWD shall ensure that all work is performed in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals and contractors in the same discipline in the State of California. EVMWD shall procure the services of professionals and contractors skilled in the professional calling necessary to perform the work. All employees and subcontractors shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform such work, and all such licenses and approvals shall be maintained throughout the term of their work. EVMWD shall use commercially reasonable efforts to ensure that it and its consultants, contractors, and subcontractors execute and maintain their work so as to avoid injury or damage to any person or property. In carrying out their work, they shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of their employees appropriate to the nature of the work and the conditions under which the work is to be performed. Any employee, contractor, or subcontractor who is determined by EVMWD to be uncooperative, incompetent, a threat to the adequate or timely completion of the project, a threat to the safety of persons or property, or any employee, contractor, or subcontractor who fails or refuses to perform his or her work in a manner acceptable to EVMWD, shall be promptly removed.

5. General Provisions.

5.1 Entire Agreement. This Agreement, including the documents incorporated by reference herein, sets forth the entire agreement of the parties with respect to the accomplishment of the design, installation and construction of the Facilities. All prior negotiations and dealings regarding the subject matter thereof are superseded by and merged into this Agreement.

5.2 Term. The term of this Agreement shall be from the Effective Date and shall remain in effect until the all amounts advanced by the District on behalf of the Consumer have been paid.

5.3 Attorneys' Fees. In the event that any action or proceeding is commenced between EVMWD and Consumer to enforce or interpret any term of this Agreement, the prevailing party in such action or proceeding, in addition to all other relief to which it may be entitled, shall be entitled to recover from the other party the prevailing party's costs of suit and reasonable attorney's fees. The attorney's costs and fees shall include, without limitation, attorney's costs and fees incurred on appeal and those incurred in enforcing any judgment rendered in any such action or proceeding. Such attorney's costs and fees may be recovered as an element of costs in the underlying action or proceeding or in a separate recovery action.

5.4 Notices. All notices shall be in writing and shall be considered given: (1) when delivered in person to the recipient named below; or (2) three days after deposit in the United States mail, postage prepaid, addressed to the recipient named below; or (3) on the first business day on or following the date of delivery shown in the records of the telegraph company after transmission by telegraph to the recipient named below; or (4) on the date of delivery by facsimile transmission (with a copy sent by first class mail) to the recipient named below. All notices shall be addressed as follows:

**Consumer:**

Cornerstone Community Church of Wildomar  
34570 Monte Vista Dr.  
Wildomar, CA 92595  
Attn: Jeff Rosen

**EVMWD:**

Elsinore Valley Municipal Water District  
31315 Chaney St  
Lake Elsinore, CA 92531  
Attn: General Manager

Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

5.5 Governing Law. This Agreement and its provisions shall in all respects be interpreted, construed, enforced and governed by and under the laws of the State of California, without regard to conflict of laws principles.

5.6 Consent to Jurisdiction, Venue and Service. Any action or proceeding brought respecting this Agreement shall be instituted and maintained in the appropriate court in the

County of Riverside, California. Consumer hereby forgoes and waives any provision of law providing for a change of venue from such courts on the grounds that EVMWD is or may be a party to any such action or proceeding.

5.7 Modification. This Agreement may be modified only by another written instrument duly authorized and executed by both EVMWD and Consumer.

5.8 Severability. The provisions of this Agreement are specifically made severable. If any clause, provision, rights and/or remedy provided for herein is unlawful or unenforceable, the remainder of this Agreement shall remain in effect and be enforced as if such clause, provision, right or remedy were not contained herein.

5.9 Rules of Construction. The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against, either EVMWD or Consumer. This Agreement is the product of mutual negotiation and drafting efforts. Accordingly, the judicial rule of construction that ambiguities in a document are to be construed against the drafter of that document shall have no application to the interpretation or enforcement of this Agreement.

5.10 Nonliability for Negligence, Loss or Damage. EVMWD acknowledges, understands, and agrees the relationship between EVMWD and Consumer is, and will at all times remain, solely that of utility provider and utility consumer, and Consumer neither undertakes nor assumes any responsibility for or duty to EVMWD to review, inspect, supervise, pass judgment on, or inform EVMWD on the quality, adequacy, or suitability of any of those matters related to design, installation, or construction of said Facilities.

5.11 Waiver of Contractual Right. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

5.12 Force Majeure. If performance of this Agreement or any obligation under this Agreement is prevented, restricted, or interfered with by causes beyond either party's reasonable control ("Force Majeure"), and if the party unable to carry out its obligations and gives the other party prompt written notice of such event, then the obligations of the party invoking this provision shall be suspended to the extent necessary by such event. The term Force Majeure shall include, without limitations, acts of God, fire, explosion, vandalism, storm, casualty, general unavailability of materials, insurrections, riots, or wars, or strikes, lock-outs, and work stoppages. The excused party shall use reasonable efforts under the circumstances to avoid or remove such causes of non-performance and shall proceed with reasonable dispatch whenever such causes are removed or ceased. An act or omission shall be deemed within the reasonable control of a party if committed, omitted, or caused by such party, or its employees, officers, agents, or affiliates.

5.13 Execution. This Agreement may be executed in one or more counterparts, each of which shall be an original and all such counterparts together shall constitute the entire agreement of the Parties hereto.

5.14 Captions. The captions and headings of various Sections of this Agreement and exhibits pertaining hereto are for convenience only and are not to be considered as defining or limiting in any way the scope or intent of the provision hereof.

5.15 Authorization. Each individual executing this Agreement hereby represents and warrants that he or she has the full power and authority to execute this Agreement on behalf of the named Parties.

***SIGNATURES ON FOLLOWING PAGE***

**SIGNATURE PAGE TO  
REIMBURSEMENT AGREEMENT  
REGARDING FACILITIES AND FACILITIES FEES**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set opposite their signatures.

**EVMWD:**

**Consumer:**

By: \_\_\_\_\_  
John Vega, General Manager

By: \_\_\_\_\_  
Ron Armstrong, Sr. Pastor

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:

By: \_\_\_\_\_  
John Brown, General Counsel

By: \_\_\_\_\_

Dated: \_\_\_\_\_

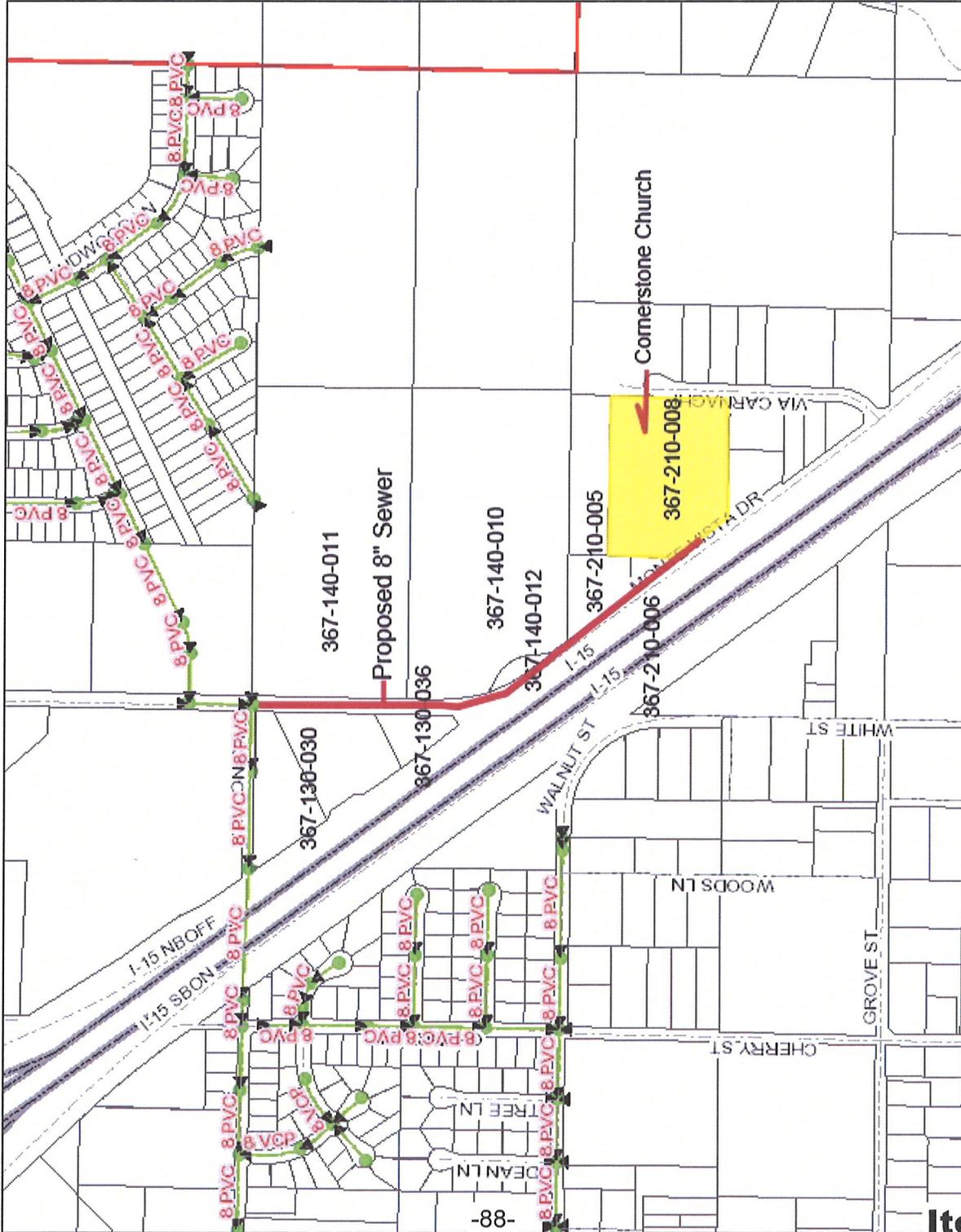
ATTEST:

By: \_\_\_\_\_  
Terese Quintanar, District Secretary

SIGNATURE PAGE

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# EXHIBIT A - LOCATION OF SEWER FACILITIES AND BENEFITING PARCELS Proposed 8" Sewer in Monte Vista Drive



Legend	
	EVMWD Boundary
	Highways
	Street Centerlines
	Parcels
	Waterbodies
	Gravity Mains
	Label Gravity Mains Diameter
	Manhole

1: 7,355



**Notes**  
Surrounding parcels are identified by APN

This application has been provided to give a visual display of District facilities and related geographic information. To be sure of complete accuracy, please check with Engineering staff for the most up to date information.



25.9  
0  
612.95  
1,225.9 Feet

ata Sources: EVMWD, County of Riverside

8/14/2013 12:08:45 PM

Exhibit B

Water & Sewer Capacity Fees

Capacity Fee Component	Current Fee Per EDU (1)	Current Fee Total (2)
<b><u>Water Capacity Fees</u></b>		
1 1/2 " Compound Meter Charge	\$ (1,635)	\$ (1,635)
3" Compound Meter Charge	2,733	2,733
Administration	\$ 40	\$ 200
Pumping Plant	1,255	6,275
Storage	1,022	5,110
Temescal Valley Project	1,805	9,025
Source of Supply	1,515	7,575
Transmission Facilities	<u>2,451</u>	<u>12,255</u>
Total Water Capacity Fee	\$ 8,088	\$ 41,538
<b><u>Sewer Capacity Fees</u></b>		
Treatment	\$ 2,493	\$ 104,586
Collection System	<u>4,755</u>	<u>199,482</u>
Total Sewer Capacity Fees	\$ 7,248	\$ 304,068
<b><u>Recycled Water Capacity Fees</u></b>	\$ 947	<u>\$ 39,729</u>
Total Capacity Fees		\$ 385,335

(1) EVMWD Capacity Fees - Effective 07/01/2013 - Actual fees to be paid will be the fees effective at the time of payment

(2) Based on total planned number of equivalent dwelling units (EDU) as shown below

<u>Water</u>	<u># of EDU's</u>
Credit for 1 1/2 Inch Meter	(3.00)
New 3 Inch Meter	<u>8.00</u>
Net EDU's	<u><u>5.00</u></u>

<u>Sewer &amp; Recycled Water</u>	
Church	10.42450
Commercial Kitchen	1.00000
Evening Students	3.93000
Pre-School - No Cafeteria	7.07400
Storage	0.45105
Students - With Cafeteria	17.67000
Washing Machines	<u>1.40250</u>
Total	<u><u>41.95205</u></u>

Exhibit C

Estimated Facilities Costs  
Sewer Facilities

Description	Quantity	Unit	Unit Price	Estimated Cost
8 Inch PVC Server	1,900	LF	150	\$ 285,000
Construct 60 Inch manhole with T-lock Liner	5	Each	6,200	31,000
Sawcut, remove and replace AC pavement	2,000	LF	30	60,000
Install sewer laterals @ 300 LF on center	6	Each	5,000	30,000
All Other Construction Costs				<u>32,000</u>
 Subtotal - Construction Costs				 \$ 438,000
 Design				 30,660
Plan Checking by District				13,140
Inspection				30,660
All Other Project Cost				<u>183,960</u>
 Total Estimated Project Cost				 <u><u>\$ 696,420</u></u>

**EXHIBIT D**

**TIME SCHEDULE – COMPLETION OF FACILITIES**

<b>Facility Description</b>	<b>Estimated time for Completion</b>
Water Facilities	
1. Not Applicable	
Sewer Facilities	
2. Sewer Line Extension	Approximately 6 months for design and 18 months for construction.

**EXHIBIT E**

**TIME SCHEDULE**

**PAYMENT OF FEES, DEPOSITS, CREDITS, AND REIMBURSEMENTS**

<b>Payment Description</b>	<b>Amount</b>	<b>Deadline for Payment</b>
<b>Fees</b>		
1. Water Capacity Fees	See Exhibit "B"	On an EDU by EDU basis, prior to issuance of water meter to the respective home
2. Sewer Capacity Fees	See Exhibit "B"	On an EDU by EDU basis, within 30 days after the completion of the sewer line extension
3. Recycled Water Capacity Fees	See Exhibit "B"	On an EDU by EDU basis, within 30 days after the completion of the sewer line extension
4. Water Meter Installation Fees	See Exhibit "B"	Prior to issuance of water meter to the respective home
<b>Deposits</b>		
5. Plan Check Deposit	Standard EVMWD Calculation	Prior to provision of plan check services
6. Inspection Deposit	Standard EVMWD Calculation	Prior to provision of inspection services
7. Sewer Line Extension		
a. Design Deposit	Proportionate share of Design Cost	30 days after completion of Design
b. Construction Deposit	Proportionate share of 50% of Construction Cost	30 days after Notice of Completion of Construction
c. Final Reconciliation Remittance	Remainder of Unpaid Project Cost (1)	30 days after issuance of final invoice by EVMWD to Developer
<b>Credits</b>		
8. Not Applicable		
<b>Reimbursements</b>		
9. EVMWD Capital Contributions	Not Applicable	
10. Reimbursement by all other	See Exhibit "F"	Prior to issuance of water meter

Payment Description	Amount	Deadline for Payment
Benefiting Parcels		to the respective home

(1) Project Cost includes contract bid amounts, change orders, inspection, plan check, geotechnical, consultation, construction management, and any other costs associated with the construction of the facilities.

Exhibit F

Sewer Facilities Cost Allocation

<u>APN</u>	<u>Acreage</u>	<u>% of Total</u>	<u>Proportionate Share</u>	<u>Administration Fee 5%</u>	<u>Total Disbursed</u>
367-130-030	3.03	5.9%	\$41,432	\$2,072	\$39,361
367-130-036	0.92	1.8%	12,580	629	11,951
367-140-010	18.00	35.3%	246,133	12,307	233,826
367-140-011	19.57	38.4%	267,601	13,380	254,221
367-140-012	0.24	0.5%	3,282	164	3,118
367-210-005	1.62	3.2%	22,152	1,108	21,044
367-210-006	0.37	0.7%	5,059	253	4,806
Church 367-210-008	7.18	14.1%	98,180	4,909	93,271
Totals	<u>50.93</u>	<u>100.0%</u>	<u>\$696,420</u>	<u>\$34,821</u>	<u>\$661,599</u>