



**WEST VALLEY WATER DISTRICT
855 W. Base Line Road Rialto, CA**

**ENGINEERING AND PLANNING COMMITTEE MEETING
AGENDA**

WEDNESDAY, JANUARY 9, 2019 - 6:00 PM

NOTICE IS HEREBY GIVEN that West Valley Water District has called a meeting of the Engineering and Planning Committee to meet in the Administrative Conference Room, 855 W. Base Line Road, Rialto, CA 92376.

- 1. CONVENE MEETING**
- 2. PUBLIC PARTICIPATION**

The public may address the Board on matters within its jurisdiction. Speakers are requested to keep their comments to no more than three (3) minutes. However, the Board of Directors is prohibited by State Law to take action on items not included on the printed agenda.

- 3. DISCUSSION ITEMS**
 - a. CONSIDER A REQUEST FROM K. HOVNIANIAN COMMUNITIES, INC TO DIVIDE THE DEVELOPER BILLING LETTER INTO MULTIPLE PAYMENTS. (Pg. 2)**
 - b. CONSIDER A WATER SYSTEM INFRASTRUCTURE INSTALLATION AND CONVEYANCE AGREEMENT WITH CASMALIA HOLDINGS, LLC. (Pg. 58)**
 - c. Consider Award of Contract for Customer Service Foyer Renovation Project to Caltec Corp. (Pg. 126)**
- 4. ADJOURN**

DECLARATION OF POSTING:

I declare under penalty of perjury, that I am employed by the West Valley Water District and posted the foregoing Engineering and Planning Committee Agenda at the District Offices on January 4, 2019.

A handwritten signature in blue ink that reads "Crystal L. Escalera".

Crystal L. Escalera, Board Secretary



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: January 9, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: CONSIDER A REQUEST FROM K. HOVNANIAN COMMUNITIES, INC TO DIVIDE THE DEVELOPER BILLING LETTER INTO MULTIPLE PAYMENTS

BACKGROUND:

On December 10, 2018, staff issued a Billing Letter to K. Hovnanian Communities, Inc (“Developer”), for the on-site water improvements at Tract 18944 (“Sierra Crest”) as shown in **Exhibit A**. Upon receiving the Billing Letter, a representative from the Developer contacted the District to discuss the possibility of establishing a payment plan for the Sierra Crest development. Staff met with the Developer on December 19, 2018 and explained that the District would not allow the separation of payments for the project, and that the amount had to be paid in full prior to beginning construction. The Developer requested to appeal this decision to the Engineering and Planning Committee, and has submitted the request shown in **Exhibit B** to overturn the decision of staff.

DISCUSSION:

The Billing Letter outlines the costs for the Sierra Crest development, and includes the fees and deposits associated with the construction of 179 residential homes along with water mains, hydrants, and various water appurtenances to serve the new development. The issuance of a Billing Letter for each project is a standard practice for Development within the District, and all developers are required to pay the requested amount in full before construction is allowed. Staff has reviewed the request, and has rejected the appeal made by the Developer based on the following:

- Article 7 of The District’s Water Service Rules and Regulations have established the procedure of collecting all developer fees prior to construction. A waiver of this condition will require an amendment to the District’s Rules and Regulation to allow for Engineering and Planning Committee exemptions.
- The Developer entered into an agreement with the District to pay all fees before construction could begin, as outlined in Section 15 of the Water System Infrastructure Installation and Conveyance Agreement dated November 28, 2018 and as shown in **Exhibit C**.
- Allowing the separation of payments for the Billing Letter will set a precedent for

future developers who wish to establish payment plans for their projects. This will require staff to negotiate the terms of payment for each project and administer the collection of payments.

FISCAL IMPACT:

If approved, development fees for this project will be collected over a 1-year or 2-year time period instead of at the beginning of the project.

STAFF RECOMMENDATION:

It is recommended that the Engineering and Planning Committee deny the request for a payment plan from K. Hovnanian Communities, Inc, and require the total payment for the Billing Letter prior to construction.

Respectfully Submitted,



Clarence Mansell Jr., Interim General Manager

DG:ce

ATTACHMENT(S):

1. Exhibit A - Sierra Crest Billing Letter
2. Exhibit B - K. Hovnanian Communities, Inc Appeal Request
3. Exhibit C - Water System Infrastructure Installation and Conveyance Agreement

EXHIBIT A

Dr. Michael Taylor
President, Board of Directors
Kyle Crowther
Vice President, Board of Directors
Dr. Clifford O. Young, Sr.
Director
Greg Young
Director
Donald Olinger
Director
Crystal L. Escalera
Board Secretary
Patricia Romero
Assistant to the Board Secretary



ESTABLISHED AS A PUBLIC AGENCY IN 1952
 WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
 SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
 AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
 WATER-USE EFFICIENCY AND CONSERVATION.

Clarence C. Mansell, Jr.
Interim General Manager
Ricardo Pacheco
Assistant General Manager
Deborah L. Martinez
Human Resources and Risk Manager
Naisha Davis
Chief Financial Officer

Date December 10, 2018

K. Hovnanian Homes
 400 Exchange, Suite 200
 Irvine, CA 92602

Re: Tract 18944 On-Site Water System Improvements (179 Lots)

W.O. D19005

The lowest bid received was to BT Pipeline, Inc.

Costs to cover the installation of water facilities and other related charges to provide water service to your property are as follows:

Acct. Codes						
1)	CB	Construction Bid: (\$673,657.00 for reference only)			\$0.00	
2)	MB	Meter Box & Deposit per unit: 1"	\$350.00	Total Units:	181	\$63,350.00
3)	VB	Deposit for Valve Box Recovery/valve:	\$120.00	Total Valves:	42	\$5,040.00
4)	FC	Capacity Charges/lot: 3/4" meter	\$7,009.00	Total Lots:	177	\$1,240,593.00
	FC	Capacity Charges/lot: 1" meter	\$11,915.00	Total Lots:	3	\$35,745.00
	FC	Capacity Charges/lot: 1 1/2" meter	\$23,130.00	Total Lots:	1	\$23,130.00
5)	FC	Capacity Charges/fire service: 1"	\$510.00	Total fire service:	177	\$90,270.00
6)	FT	Frontage Charges/foot:	\$20.00	Total Feet:	0	\$0.00
7)	MC	Development Water Service Deposit/Meter	\$60.00	Total meters:	179	\$10,740.00
	MC	Fire Service Deposit/Meter	\$140.00	Total meters:	0	\$0.00
	MC	Commercial Service Deposit/Meter	\$140.00	Total meters:	2	\$280.00
8)	MC	Meter Only Installation Charge : 1" meter	\$568.00	Total meters:	180	\$102,240.00
	MC	Meter Only Installation Charge : 1 1/2" meter	\$1,632.00	Total meters:	1	\$1,632.00
9)	AD	Administration & Overhead Fees: (item number 1)	*	Total Fee:	\$0.00	* \$31,553.00
10)	IF	District Inspection Fee-Engineer Estimate	\$56.31	Per Hour:	124	\$6,982.44
	IF	District Inspection Fee-Meter/Fire Service	\$300.00	Total Length:	0	\$0.00
11)	CD	Contingency Deposit: (item number 1)	10.00%	Total Fee:	\$673,657.00	\$67,365.70
12)	IF	Inspection Fee of Meters After Installation	\$10.00	Total Fee:	181	\$1,810.00
Total Amount To Be Deposited:						<u>\$ 1,680,731.14</u>

*\$14,975 + 3.5% (673,657-200,000)=\$31,553.00

TO: K. Hovnanian Homes

RE: Tract 18944 On-Site Water System ImprovementImprovements

The construction bid (No.1) is for reference only in order to determine administration and overhead (No. 9) and contingency deposit (No. 11). Any increase in costs resulting from contract change orders, unforeseen construction conditions, or any changes in the project, as proposed, shall be paid by the developer. Final charges to the developer will be based on actual number of feet of pipe and/or number of fittings or other facilities required to complete within 90 days from date of this letter.

The deposit for meter and box (No. 2) is a refundable deposit and will be refunded after final inspection of meters and services, less any charges for necessary repairs to water meter or service.

The deposit for valve box recovery (No. 3) is a refundable deposit and will be refunded if your black top contractor recovers the valve boxes. If they are not recovered by your contractor, the District will use these funds for the recovery.

The frontage charge (No. 6) covers reimbursement due for previously installed pipelines servicing your project.

The guarantee deposits for water service (No. 7) is a refundable deposit and will be refunded as each lot is transferred to a new water service applicant, less any water use charges.

The meters (No. 8) shall be installed by the District after the pipeline and meter services have been installed and approved by the District. The developer shall be responsible for any loss of or damage to the meters and/or fittings, and each meter and service shall be subject to all applicable fees and charges.

All water service serving properties engaged in commercial, industrial, farm, or hobby-type operations shall be protected by an approved backflow device. Said device will be installed by the District's preapproved contractor for the project and maintained by the developer/owner in accordance with the District's Water Service Regulations.

TO: K. Hovnanian Homes

RE: Tract 18944 On-Site Water System ImprovementImprovements

Upon completion of construction of said facilities, the District shall provide water for domestic and fire protection use in accordance with the District's Water Service Regulations, Schedules of Rates and Charges, and any amendments thereto. Said water service regulations include "Article 24", known as the "Water Conservation Ordinance" which places restrictions on certain types of construction and landscaping.

Any funds deposited for construction of water facilities and not utilized for said construction may be refunded to developer upon request. Any funds refunded shall be without interest and less any costs incurred.

If you have any questions regarding this billing letter, please feel free to contact Angela Navarro, the District's Engineering/Operations Coordinator.

WEST VALLEY WATER DISTRICT



Clarence C. Mansell, Jr.
Interim General Manager

CM/an

PLEASE NOTE:

- A. ALL CHARGES ARE SUBJECT TO CHANGE IF WORK IS NOT COMPLETED WITHIN 30 DAYS FROM DATE OF THIS LETTER.**
- B. A TRACT MAP SHOWING STREET ADDRESSES FOR EACH LOT SHALL BE FURNISHED AT THE TIME OF DEPOSIT OF FUNDS. THE CONSTRUCTION CONTRACT WILL NOT BE AWARDED UNTIL SAID ADDRESS LIST IS RECEIVED.**

EXHIBIT B

KHovnanian[®] Homes

December 26, 2018

Daniel Guerra
West Valley Water District
855 W Base Line Road
Rialto, CA 92376

RE: Appeal to Section 15 of the Water Infrastructure Agreement

Daniel:

Please consider this letter a formal request for the West Valley Water District Board to consider allowing K. Hovnanian Homes the ability to split the on-site water system improvement payment for K. Hovnanian Homes project in Fontana. The project is a 179 single family home development. As discussed in our meeting on December 19, 2018 we are requesting the ability to split the \$1,680,731.14 payment quarterly through 2019. K. Hovnanian Homes has provided a warranty and Performance bond both in the amount of \$646,745.00 for the above referenced project. We are also willing to post a Payment Bond in the amount of \$1,680,731.14. We would only ask that the proposed payments be extended to the end of 2020. K. Hovnanian Homes believes the West Valley Water District has enough assurances to allow the separation of payment throughout the beginning development of Sierra Crest per attached Exhibit A.

Should you require any additional information, please feel free to contact me at (714) 368-4520 or at JJourney@KHOV.com.

Sincerely,



Justin Journey, Land Planning Manager
K. Hovnanian Homes
Southern California Division

Exhibit A

Proposed Payment Option (Without Payment Bond)

Q1 2019 – January 10th Amount Due \$420,182.78
Q2-2019-April 10th Amount Due \$420,182.78
Q3- 2019-July 10th Amount Due \$420,182.78
Q4-2019- October 10th Amount Due \$420,182.80

Proposed Payment Option (With Payment Bond)

Q1 2019 – January 10th Amount Due \$210,091.39
Q2-2019-April 10th Amount Due \$210,091.39
Q3- 2019-July 10th Amount Due \$210,091.39
Q4-2019- October 10th Amount Due \$210,091.39
Q1 2020 – January 10th Amount Due \$210,091.39
Q2-2020-April 10th Amount Due \$210,091.39
Q3- 2020-July 10th Amount Due \$210,091.39
Q4-2020- October 10th Amount Due \$210,091.41

EXHIBIT C

**WATER SYSTEM INFRASTRUCTURE
INSTALLATION AND CONVEYANCE AGREEMENT**

This water system infrastructure installation and conveyance agreement ("Agreement") is entered into and effective as of Nov. 28, 2018 by and between **K. Hovnanian Communities, Inc.** ("Developer"), and WEST VALLEY WATER DISTRICT ("District") who agree as follows:

The Developer is the owner of certain land described as **Tract 18944 – Sierra Crest II** and as more fully (or further) shown on Exhibit "A". In developing this land, the Developer is desirous of obtaining a public water supply adequate for domestic uses and public fire protection purposes and is desirous of integrating that water system into the District's public water system.

In order to provide facilities for a water supply to said land, it is the intention of the parties to this Agreement that the Developer shall furnish and install those water mains, fire hydrants, service laterals, water meters and valves, valve boxes, and all other appurtenant fittings and facilities required for a complete water system to serve the land shown on Exhibit "A".

In order to implement the foregoing and in consideration of the terms and conditions herein contained, the parties further agree as follows:

1. DESIGN

1.1. Developer shall design and construct, at the Developer's own expense, the water facilities and appurtenances required to serve the development in accordance with final District-approved plans known as **Water Line Improvement Plans Tract No. 18944**, as approved and attached herein as Exhibit "B" and in accordance with District-approved design standards and specifications, and the terms and conditions of this Agreement.

1.2. The water system design shall be by a Professional Engineer registered in the State of California, and in accordance with the District's most recent Rules and Regulations (the "Rules and Regulations"), the District's Standards for Domestic Water Facilities and Standard Drawings herein included by reference, all applicable District ordinances and policies and all City, County of San Bernardino, State of California, and Federal laws, ordinances, rules, regulations, codes and other legal requirements of all government bodies having jurisdiction over said construction and property (all of the foregoing requirements in this paragraph being collectively referred to herein at times as "Legal Requirements").

1.3. The District, at Developer's expense, shall review Developer's plans for the purpose of ensuring the adequacy of the design and conformance with the District's standards and specifications. The District reserves the right to add, delete, modify, change or amend any or all the plans and specifications.

1.4. In the event that the property to be developed includes multiple residential, condominiums, commercial or industrial uses, all site plans, grading plans, and any available plumbing plot plans shall be furnished to the District by Developer.

1.5. The District makes no warranties as to the correctness, accuracy or completeness of the plans and specifications. The accuracy, adequacy, suitability, and correctness of the water system design shall be the sole responsibility of the Developer.

2. CONSTRUCTION

2.1. Developer shall perform, or caused to be performed, all construction of the water system infrastructure installation pursuant to the approved water system plans, and all Legal Requirements.

2.2. The performance of this Agreement shall commence within ninety (90) calendar days from the date of this Agreement and shall be completed within one (1) year from the estimated construction start date.

2.3. Time is of the essence in this Agreement; provided that, in the event good cause is shown therefore, the general manager of the District ("General Manager") may extend the time for completion of the water system installation. Any such extension may be granted without the notice to Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure faithful performance of this Agreement. The General Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

2.4. The Developer and its contractor and subcontractors shall attend a preconstruction meeting with the District at the District's headquarters no less than five (5) working days prior to commencement of construction.

2.5. No work on water facilities shall commence prior to the completion of all required curbs and gutters.

3. LICENSES AND PERMITS

3.1. Developer, and all of Developer's contractors and subcontractors warrants it possesses, or shall obtain, and maintain during the term of this Agreement any and all licenses, permits, qualifications, insurance and approval of whatever nature that are legally required of Developer, its contractors, and all subcontractors to practice its profession, skill or business.

3.2. The work to be performed under this Agreement, except meter installations, shall be performed by Developer, or a contractor or subcontractor who is pre-approved by the District and is licensed under the laws of the State of California in the specialty Class of "C-34" Pipeline or Class "A" General Engineering. A copy of the contract between Developer and the selected pre-approved contractor and all subcontractors shall be submitted to the District for review and approval.

3.3. Excavation/resurfacing permits shall be secured by Developer at Developer's expense. Permits/easements to install, maintain and operate water system facilities in private property shall be secured by Developer at Developer's own expense prior to construction.

3.4. Developer shall, at Developer's own expense, be responsible for obtaining and adhering to a National Pollution Discharge Elimination System (NPDES) permit from the Regional Water Quality Board as required for construction or pipeline flushing and disinfection.

4. INSURANCE REQUIREMENTS

4.1. The following insurance requirements have been adopted by the District and shall be applicable to this Agreement. These requirements supersede the insurance requirements set forth in any other reference of the District, and to the extent of any conflict, the specified requirements herein shall prevail.

4.2. Developer shall ensure that Developer's contractors conform to the following insurance requirements and that all required documents are submitted to the District at the time of Agreement submittal: Developer shall ensure that its contractors and all subcontractors shall purchase and maintain insurance in amounts equal to the requirements set forth in (a) through (d) below, and shall not commence work under this Agreement until all insurance required under this heading is obtained in a form acceptable to the District, nor shall Developer allow any contractor or subcontractor to commence construction pursuant to a contract or subcontract until all insurance required of the contractor and any subcontractors has been obtained.

a. General Liability: Developer shall ensure that its contractor and all subcontractors shall maintain during the life of this Agreement, a standard form of either Comprehensive General Liability insurance or Commercial General Liability insurance ("General Liability Insurance") providing the following minimum limits of liability: Combined single limit of \$1.0 million per occurrence for bodily injury, including death, personal injury, and property damage with \$2.0 million minimum aggregate, separate for this project as evidenced by endorsement. The insurance shall include coverage for each of the following hazards: Premises-Operations; Owners and Contractors Protective; Broad Form Property Damage contractual for Specific Contract; Severability of Interest or Cross-Liability; XCU Hazards; and Personal Injury – With the "Employee" Exclusive Deleted.

b. Automotive/Vehicle Liability Insurance: Developer shall ensure that its contractor and all subcontractors shall maintain a policy of automotive/vehicle liability insurance on a commercial auto liability form covering owned, non-owned and hired automobiles providing the following minimum limits of liability: Combined single limit of liability of \$1.0 million per accident for Bodily Injury, Death and Property Damage ("Automotive/Vehicle Liability Insurance").

c. Workers' Compensation Insurance: Developer shall ensure that its contractor and all subcontractors shall provide such workers' compensation insurance with statutory minimum amounts of coverage, as required by the California *Labor Code* and other applicable law, and including employer's liability insurance with a minimum limit of \$1,000,000.00 ("Workers' Compensation Insurance"). Such Workers' Compensation Insurance shall be endorsed to provide for a waiver of subrogation against the District.

d. Excess Liability: Developer shall ensure that its contractor and all subcontractors shall provide a policy providing excess coverage in a face amount necessary when

combined with the primary insurance, to equal the minimum requirements for General Liability Insurance and Automotive/Vehicle Liability Insurance.

4.3. The insurances provided for in Section 4.2 and its subsections above are subject to all of the following conditions:

a. The insurance shall be issued and underwritten by insurance companies acceptable to the District, and shall be licensed by the State of California to do business on the lines of insurance specified. The insurers must also have an "A-" Policyholder's rating" and a "financial rating" of at least Class VII in accordance with the most current A.M. Best's Rating Guide.

b. Developer's contractor and subcontractors may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

c. Any costs associated with a self-insured program, deductibles, or premium rating programs that determine premium based on loss experience shall be for the account of Developer, Developer's contractor and subcontractors, and the District shall not be required to participate in any such loss. If any such programs exist, Developer, Developer's contractor and subcontractors, agree to protect and defend the District in the same manner as if such cost provisions were not applicable.

d. Developer shall ensure that its contractor and all subcontractors shall have presented at the time of execution of the Agreement, the original policies of insurance and a certificate of insurance naming the District as the certificate holder and that such coverage is in force and complies with the terms and conditions outlined herein.

e. If an insurance policy contains a general policy aggregate of less than the minimum limits specified, then the policy coverage shall be written with limits applicable solely to this Agreement, as specified, and shall not be reduced by or impaired by any other claims arising against Developer. These policy limits shall be set forth by separate endorsement to the policy.

4.4. Each such policy of General Liability Insurance and Automotive/Vehicle Liability Insurance shall contain endorsements providing the following:

a. The District, their board members, officers, agents, employees, consultants, and engineers, are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of the Developer at or upon any of the premises of the District in connection with the Agreement with the District, or acts or omissions of the additional insureds in connection with, but limited to its general supervision or inspection of said operations and save for any claims arising from the sole negligence or sole willful misconduct the District.

b. No policy shall be canceled, limited, materially altered, or non-renewed by the insurer until thirty (30) days after receipt by the District of a written notice of such cancellation or reduction in coverage.

c. This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon to cover a loss under this policy.

5. BONDING REQUIREMENTS

5.1. Developer shall generate an engineer's cost estimate based on the water system plans provided to the District. The estimated costs, attached herein as Exhibit "C", will be submitted to the District for review and approval, and shall be used as the basis for bonding requirements for the water system described in the plans provided to the District by the Developer and approved for construction by the District. The sole intent and purpose of the engineer's estimate is to establish a cost valuation for bonding purposes only.

5.2. Performance Bond: Developer engineer's estimate for the water system improvements for **Water Line Improvement Plans Tract No. 18944**, is **SIX HUNDRED FORTY-SIX THOUSAND SEVEN HUNDRED FORTY-FIVE** no/100 dollars (**\$646,745.00**). Developer shall and by this Agreement does guarantee the Developer's faithful performance of this Agreement and all of its terms and conditions by providing the following: Developer shall provide the District with either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a performance bond, from a surety institution licensed by the State of California and authorized to do and doing business in said State, valid and renewable until such improvements are accepted by the District. The irrevocable letter of credit or performance bond shall be in the amount **SIX HUNDRED FORTY-SIX THOUSAND SEVEN HUNDRED FORTY-FIVE** no/100 dollars (**\$646,745.00**), equal to 100 percent of the approved Developer's estimate.

5.3. Warranty Bond: Developer shall, in addition, and by this Agreement does guarantee to the District that, for two years after the District's acceptance of Developer-installed and completed water facilities and appurtenances, such facilities and appurtenances shall be free from any and all liens and encumbrances and free from any and all defects in the materials or construction thereof. The two-year guarantee shall be either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a warranty bond in the amount of **SIX HUNDRED FORTY-SIX THOUSAND SEVEN HUNDRED FORTY-FIVE** no/100 dollars (**\$646,745.00**), equal to 100 percent of the Developer's estimate beginning at the date of the acceptance of the water facilities by the District.

6. MATERIALS

6.1. The water system facilities to be installed pursuant to this Agreement shall become an extension of the distribution system of the District. All materials used must conform to District specifications for such materials pursuant to all applicable Legal Requirements.

7. NOTICES

7.1. All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

- 7.2. Notices required shall be given to the **District** addressed as follows:
WEST VALLEY WATER DISTRICT
 Attn: General Manager
 Post Office Box 920
 Rialto, CA 92377
RE: Water Line Improvement Plans Tract No. 18944
- 7.3. Notices required shall be given to **Developer** addressed as follows:
K. Hovnanian Communities, Inc
 ATTN TO: Douglas Woodward, Division President
 400 Exchange, Suite 200
 Irvine, CA 92602
RE: Water Line Improvement Plans Tract No. 18944
- 7.4. Notices required shall be given to **Surety** addressed as follows:
 SURETY NAME:
 ATTN TO:
 ADDRESS
RE: Water Line Improvement Plans Tract No. 18944

7.5. Provided that any party or Surety may change such address by notice in writing to the other party, and thereafter, notices shall be addressed and transmitted to the new address.

7.6. The Developer or its contractor shall provide the District forty-eight (48) hours advance notice of request for inspection or testing.

7.7. The District is closed on the holidays listed in Exhibit "D".

8. NOTICE TO PROCEED TO CONSTRUCT WATER SYSTEM FACILITIES

8.1. Upon acceptance of the insurance and aforementioned bonds and/or irrevocable letters of credit in the amounts provided herein and approval by the District and upon payment of all applicable charges, the Agreement shall be signed by Developer and the District. The District shall return an original copy of the signed Agreement with a letter to Developer giving notice to proceed to construct the water system facilities using the form contained in Exhibit "E".

9. INSPECTION

9.1. It is understood that the sole purpose and intent of the District's inspection and testing is to validate that the materials, workmanship, and construction of the water facilities are in compliance with the District-approved final plans, the District's Rules and Regulations, the Standards for Domestic Water Facilities, the Standard Drawings, and all other applicable District requirements. Developer acknowledges and represents that it assumes full and sole responsibility for the safety and management of the project.

9.2. Developer shall at all times maintain proper facilities and provide safe access for inspection by the District to all parts of the work and to the shops wherein the work is in

preparation. Additionally, in connection with the performance of this Agreement, the District shall have the authority to enter the work site at any time for the purpose of identifying the existence of conditions, either actual or threatened, that may present a danger of hazard to any and all employees. Developer agrees that the District, in its sole authority and discretion, may order the immediate abatement of any and all conditions that may present an actual or threatened danger or hazard to any and all employees at the work site. Furthermore, Developer acknowledges the provisions of California *Labor Code* Section 6400 et seq., which requires that employers shall furnish employment and a place of employment that is safe and healthful for all employees working therein. In the event the District identifies the existence of any condition that presents an actual or threatened danger or hazard to any or all employees at the work site, the District is hereby authorized to order an immediate abatement of that condition.

9.3. All work and materials shall be subject to inspection, testing, and acceptance by the District at Developer's expense. In the event Developer arranges to have materials fabricated for the project, Developer may be required to arrange for the District to inspect that material during fabrication at Developer's expense.

9.4. All material fabrications shall be preapproved by the District and must conform to District standards and specifications.

9.5. The District's inspectors shall have full, unlimited access to perform continuous inspection and have the authority to stop work at any time, by written notice, without any liability whatsoever to the District, if, in the inspectors' judgment, the work called for by this Agreement, or the District approved plans, or the specifications is not being installed or performed in a satisfactory and workmanlike manner according to District's standards and specifications and/or in the event the materials do not comply with the District's standards and specifications.

9.6. Final acceptance of all material to be purchased or fabricated by Developer under this Agreement shall be made only with the prior approval of the District. Approval by the District, however, shall not operate to relieve the material supplier or Developer of any guarantees, warranties, or the duty of compliance with any of the requirements of the approved plans and specifications or of this Agreement. All construction pursuant to this Agreement shall be inspected pursuant for conformity with District requirements. Developer shall pay actual costs for inspections.

10. TESTING AND DISINFECTION

10.1. All water system facilities and components constructed pursuant to this Agreement shall adhere to all requirements for testing, disinfection, and flushing pursuant to District standards and Legal Requirements.

11. RELOCATIONS, RECONSTRUCTIONS, AND DAMAGES

11.1. Developer accepts the responsibility for and the costs occasioned by any reconstruction, relocation, damages to, or changes of water services or facilities caused or contributed to directly or indirectly by any subsequent changes in the location of any of said facilities or water meters or water services.

12. AS-CONSTRUCTED DOCUMENTATION

12.1. In order for the District to accept the facilities, Developer shall provide all required documentation as specified in the Standards for Domestic Water Facilities, including As-Built drawings.

13. INDEMNIFICATION

13.1. Developer hereby agrees to and shall protect, defend, indemnify and hold the District and its board members, officers, agents, employees, and engineers free and harmless from any and all liability losses, damages, claims, liens, demands and cause of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interests, court costs, attorney's/legal fees, and all other expenses incurred by the District arising in favor of any party, including claims, liens, debts, demands for lost wages or compensation, personal injuries, including employees or the District, death or damages to property (including property of the District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Developer save and except claims or litigation arising through the sole negligence or sole willful misconduct of the District or the District's agents and employees. Developer shall investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at the sole expense of Developer even if the claim or claims alleged are groundless, false or fraudulent. Developer agrees to, and shall defend the District and its members, directors, officers, agents, employees, and engineers from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations, provided as follows:

a. That the District does not and shall not waive any rights against Developer which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by the District, or the deposit with District by Developer, or any of the insurance policies described in this Agreement.

b. That the aforesaid hold harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any or the aforesaid operations referred to in this subsection, regardless of whether or not District has prepared, supplied water system installation, or regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

This provision is not intended to create any cause of action in favor of any third party against Developer or the District or to enlarge in any way Developer's liability but is intended

solely to provide for indemnification of the District from liability for damage or injuries to third persons or property arising from Developer's performance hereunder.

13.2. Neither Developer nor any of Developer's agents, contractors or subcontractors are, or shall be, considered to be agents of the District in connection with the performance of Developer's obligations under this Agreement.

14. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

14.1. If, within a period of two years after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developer shall, without delay and without any cost to District, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work structure. Should Developer fail to act promptly or in accordance with this requirement, or should the exigencies of the situation as determined by the District in the exercise of its sole discretion require repair, replacement or reconstruction before Developer can be notified, District may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to the District the actual cost of such repairs.

15. COSTS AND FEES

15.1. Developer shall pay actual costs for inspection and plan check. All costs and fees required, as outlined in the cost letter, shall be paid in full prior to the execution of this Agreement.

15.2. Any additional costs and fees shall be paid in full prior to conveyance and acceptance of the water system.

16. CONVEYANCE AND ACCEPTANCE OF WATER SYSTEM

16.1. Upon completion of the water system in accordance with the approved water plans and submission of the required documentation, the Developer shall convey the water system to the District.

16.2. The Developer shall furnish an irrevocable letter of credit to the District or a warranty bond (One Hundred (100%) of Developer's estimate) for a period of two years as stated in Sections 5.3 of this Agreement, as-built drawings with contractor redlines and AutoCAD files, materials list with quantities, labor, equipment, and materials, water system cost breakouts, compaction test report signed and sealed by a California Registered Engineer, notice of completion filed with San Bernardino County Recorder, fire flow tests of all hydrants, all required easements for water facilities and unconditional financial release from subcontractors and material providers, Upon compliance with all the terms and conditions of this Agreement, the District shall prepare the conveyance agreement accepting the water facilities and forward same to the address provided herein. Title to the ownership of said facilities and appurtenances shall thereby be conveyed to the District. The District shall thereafter operate and maintain said facilities so as to

furnish water service to the development Exhibit "A" in accordance with the District's ordinances, policies and Rules and Regulations.

17. PERMANENT WATER SERVICE

17.1. In no event shall permanent water services be provided to Developer's installed system until all applicable charges and fees have been paid by Developer and all facilities have been conveyed, free of all encumbrances, to the District, including any easements which may be required. Such conveyance shall occur in a timely manner in accordance with the terms of this Agreement.

18. BREACH OR DEFAULT OF AGREEMENT

18.1. If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extension thereof, or fails to obtain completion of said work within such time, or if Developer should be adjudged as bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer, or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this Agreement, the District's General Manager or the General Manager's designee may serve written notice upon Developer and Developer's surety of breach of this Agreement, or of any portion therefore, and default of Developer.

18.2. In the event of any such notice, Developer's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety, within five (5) days after the serving upon of such notice of breach, does not give the District written notice of its intention to take over the performance of the contract, and does not commence performance thereof within five (5) days after notice to the District of such election, District may take over the work and prosecute the same to completion, by contract or by any other method District may deem advisable, for the account and at the expense of Developer, and Developer's surety shall be liable to the District for any excess cost or damages occasioned District thereby; and, in such event, District, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developer as may be on the site of the work and necessary therefore.

19. SUCCESSORS BOUND

19.1. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective legal representatives, successors, heirs, and assigns.

[CONTINUED ON NEXT PAGE]

20. ENFORCEMENT OF PROVISIONS

20.1. The District's failure to enforce any provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall nevertheless be and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this Agreement.

WEST VALLEY WATER DISTRICT

By: Clarence C. Mansell, Jr.
Clarence C. Mansell, Jr., Interim General Manager

Date: 11/28/18

DEVELOPER:

K. Hovnanian Communities, Inc
A California Corporation

By: **K. Hovnanian Communities, Inc**

By: Doug Woodward
Douglas Woodward
Division President

Date: 11/19/18

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

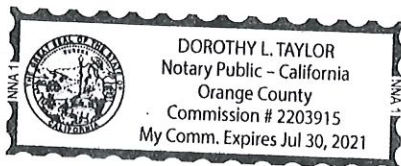
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)
On November 18, 2018 before me, Dorothy L. Taylor, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Douglas Woodward
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 Dorothy L. Taylor
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 Water System Infrastructure Installation
Title or Type of Document: and Conveyance Agreement Document Date: 11-18-18
Number of Pages: 11 Signer(s) Other Than Named Above: Clarence C. Mansell, Jr.
West Valley Water District

Capacity(ies) Claimed by Signer(s)
Signer's Name: Douglas Woodward
[checked] Corporate Officer - Title(s): Div. President
[] Partner - [] Limited [] General
[] Individual [] Attorney in Fact
[] Trustee [] Guardian or Conservator
[] Other:
Signer Is Representing: K. Hovnanian Communities, Inc.

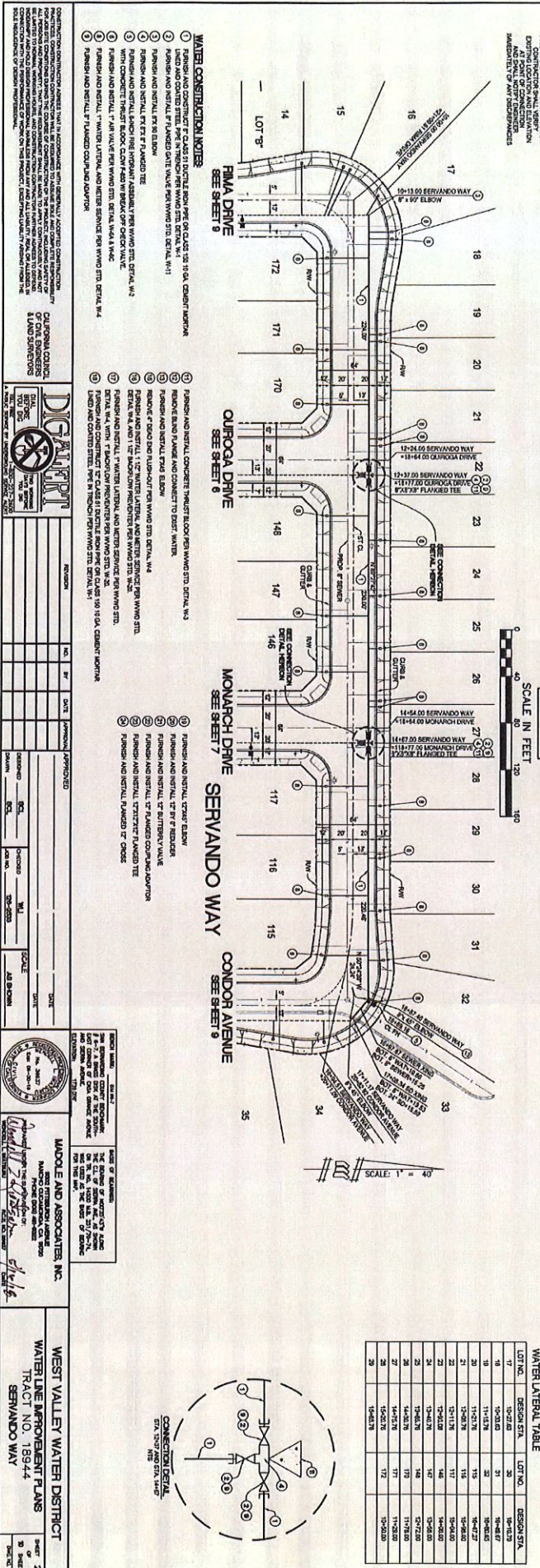
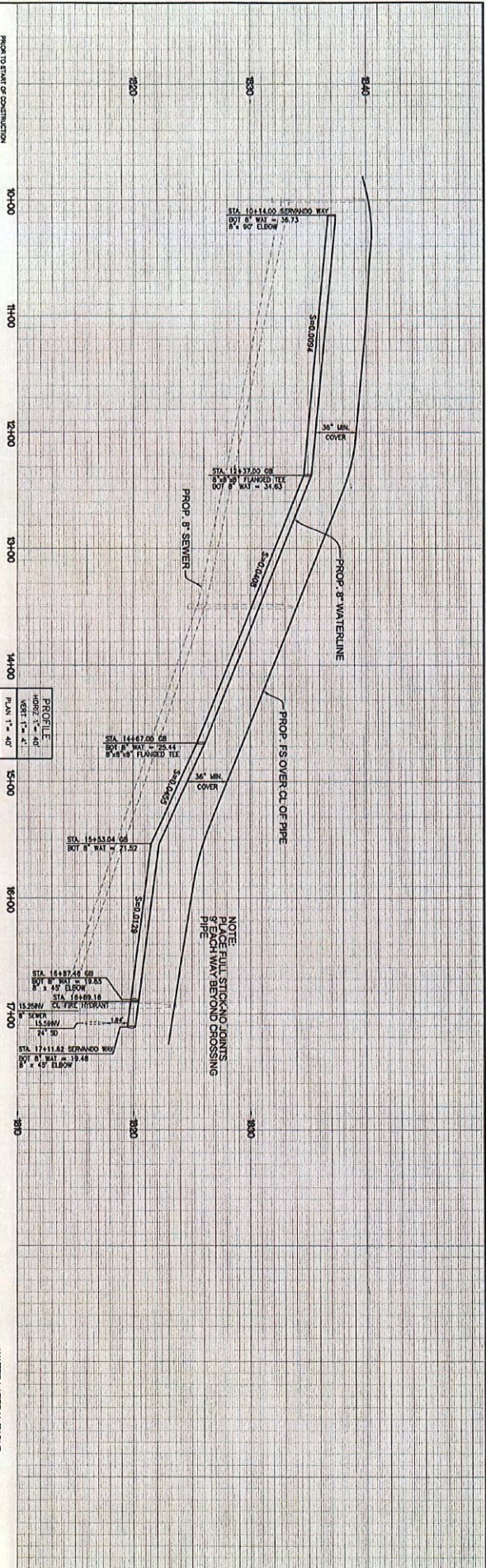
Signer's Name:
[] Corporate Officer - Title(s):
[] Partner - [] Limited [] General
[] Individual [] Attorney in Fact
[] Trustee [] Guardian or Conservator
[] Other:
Signer Is Representing:

Exhibit A



Exhibit A
Sierra Crest II Project Site

Exhibit B



WATER CONSTRUCTION NOTES

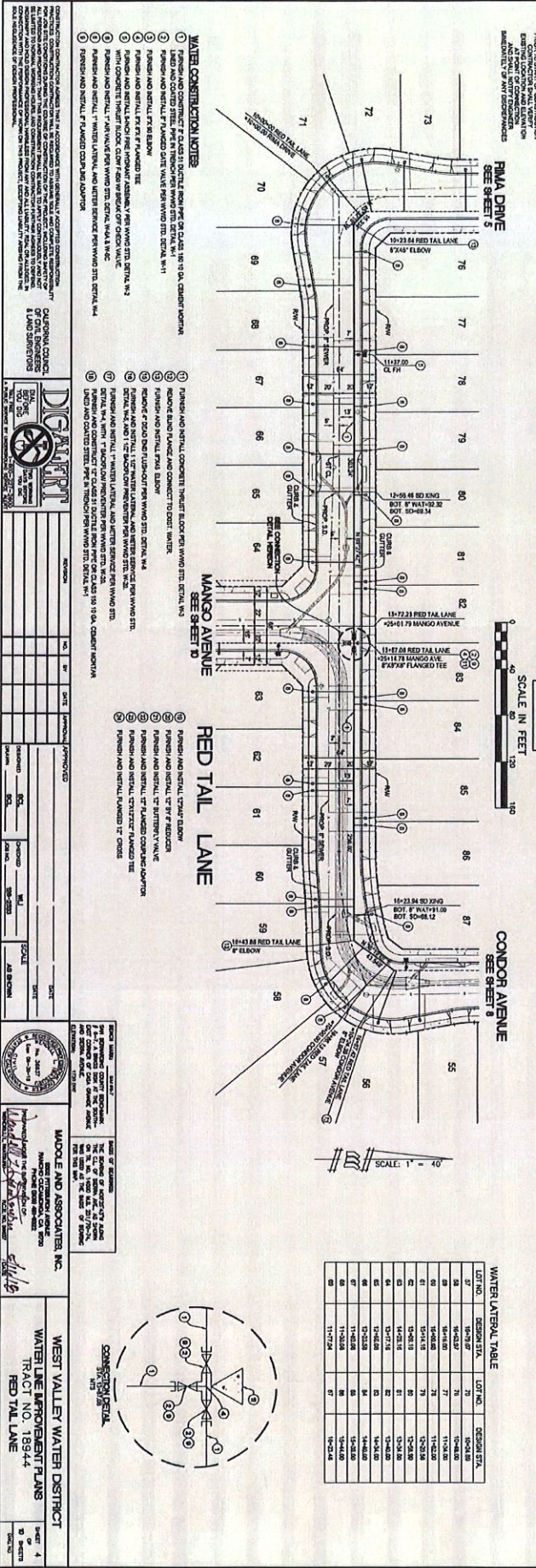
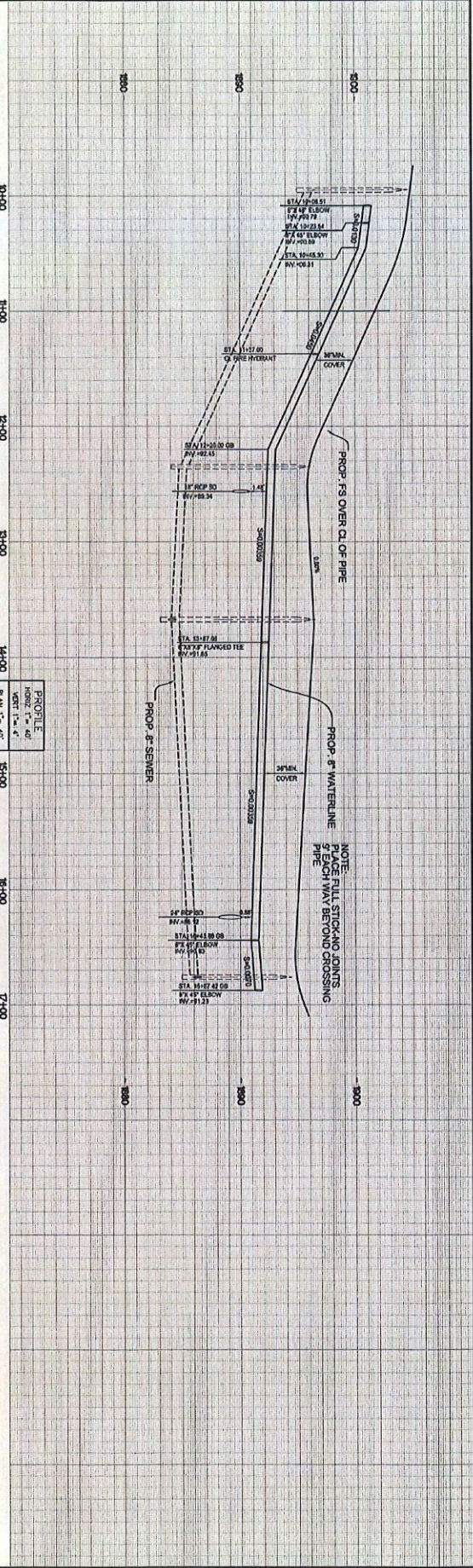
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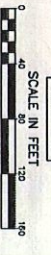
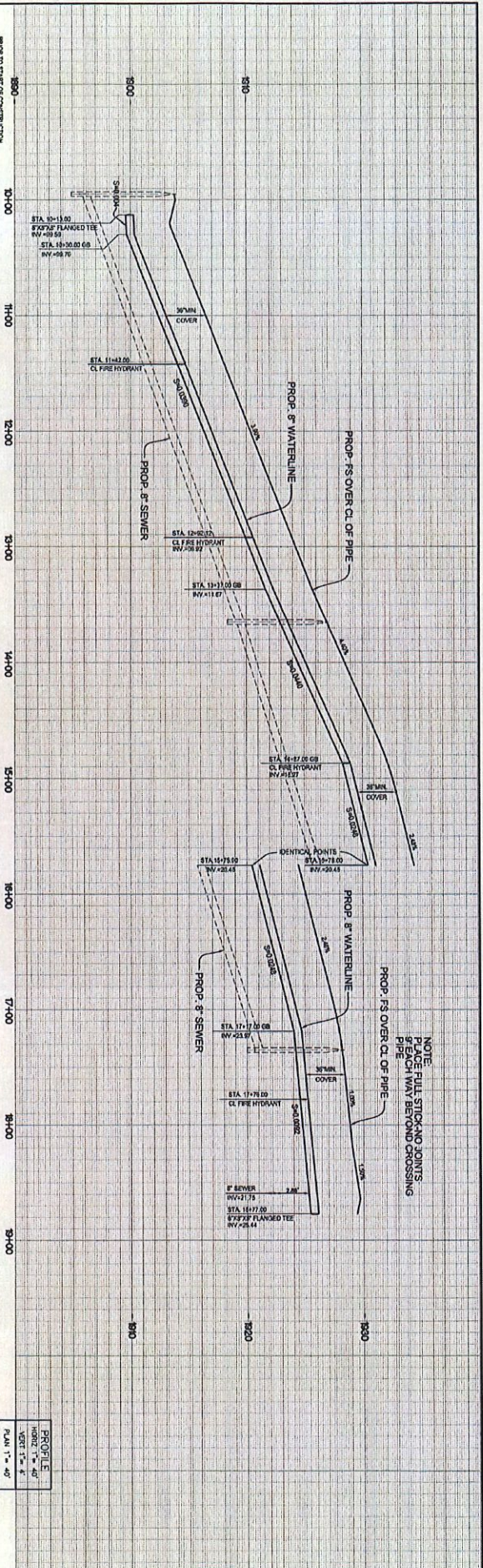
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35. FURNISH AND INSTALL 12\"/>

WATER LATERAL TABLE

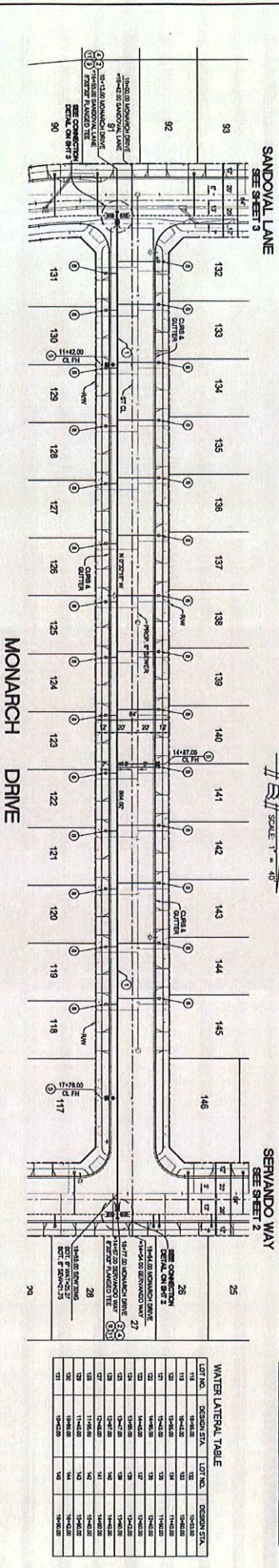
LOT NO.	DESIGN STA.	LOT NO.	DESIGN STA.
17	10+00.00	31	16+81.67
18	10+00.00	32	16+81.67
19	11+13.76	33	16+81.67
20	11+13.76	34	16+81.67
21	12+08.76	35	16+81.67
22	12+08.76	117	16+81.67
23	12+11.76	118	16+81.67
24	12+11.76	119	16+81.67
25	12+11.76	120	16+81.67
26	12+11.76	121	16+81.67
27	12+11.76	122	16+81.67
28	12+11.76	123	16+81.67
29	12+11.76	124	16+81.67
30	12+11.76	125	16+81.67
31	12+11.76	126	16+81.67
32	12+11.76	127	16+81.67
33	12+11.76	128	16+81.67
34	12+11.76	129	16+81.67
35	12+11.76	130	16+81.67

WEST VALLEY WATER DISTRICT
 WATER LINE IMPROVEMENT PLANS
 TRACT NO. 18944
 SERVANDO WAY





PROFILE
PLAN 1" = 40'



WATER LATERAL TABLE

LOT NO.	DESIGN STA.	LOT NO.	DESIGN STA.
118	14+85	131	14+85
119	14+85	132	14+85
120	14+85	133	14+85
121	14+85	134	14+85
122	14+85	135	14+85
123	14+85	136	14+85
124	14+85	137	14+85
125	14+85	138	14+85
126	14+85	139	14+85
127	14+85	140	14+85
128	14+85	141	14+85
129	14+85	142	14+85
130	14+85	143	14+85
131	14+85	144	14+85
132	14+85	145	14+85
133	14+85	146	14+85
134	14+85	147	14+85
135	14+85	148	14+85

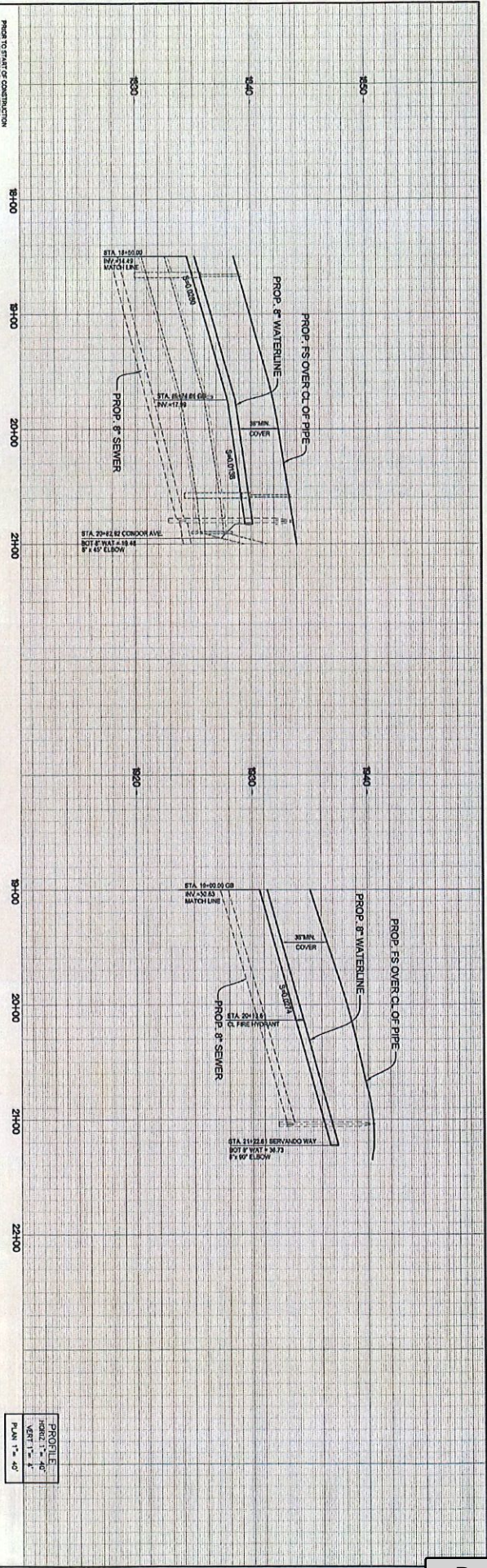
WATER CONSTRUCTION NOTES

1. WATER LATERAL SHALL BE 8" DIA. CONCRETE PIPE ON CLAS 59 15' DIA. CONCRETE MANTLE.
2. WATER LATERAL SHALL BE 8" DIA. CONCRETE PIPE ON CLAS 59 15' DIA. CONCRETE MANTLE.
3. WATER LATERAL SHALL BE 8" DIA. CONCRETE PIPE ON CLAS 59 15' DIA. CONCRETE MANTLE.
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19. WATER LATERAL SHALL BE 8" DIA. CONCRETE PIPE ON CLAS 59 15' DIA. CONCRETE MANTLE.
20. WATER LATERAL SHALL BE 8" DIA. CONCRETE PIPE ON CLAS 59 15' DIA. CONCRETE MANTLE.

QUALITY CONTROL

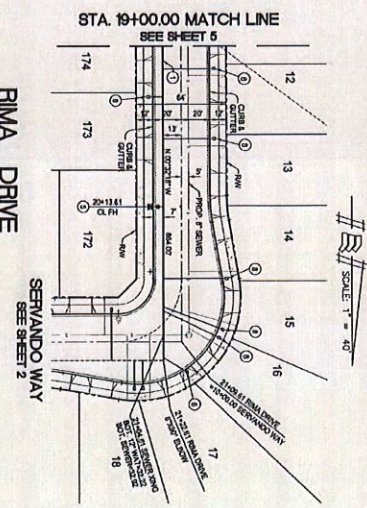
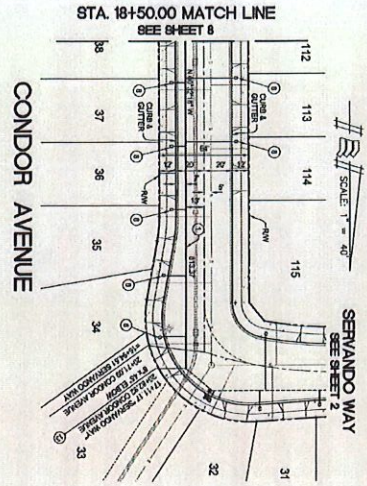
DATE: 11/11/11
BY: [Signature]

WEST VALLEY WATER DISTRICT
WATER LINE IMPROVEMENT PLANS
TRACT NO. 8944
MONARCH DRIVE



WATER LATERAL TABLE

LOT NO.	DESIGN STA.
34	20+71.6
35	19+41.6
36	19+41.6
37	19+41.6
38	19+41.6



WATER LATERAL TABLE

LOT NO.	DESIGN STA.
12	18+50.0
13	18+50.0
14	18+50.0
15	18+50.0
16	18+50.0
17	18+50.0
18	18+50.0

WATER CONSTRUCTION NOTES

1. FINISH AND CONSTRUCT 7" CLASS B DUCTILE IRON PIPE ON CLAS. 50 TO 60' DIA. EXHIBIT A/C/101A
2. FINISH AND CONSTRUCT 8" CLASS B DUCTILE IRON PIPE ON CLAS. 50 TO 60' DIA. EXHIBIT A/C/101A
3. FINISH AND INSTALL 12" CAST IRON MANHOLE AND COVER PER WWS STD. DETAIL W-1
4. FINISH AND INSTALL 12" CAST IRON MANHOLE AND COVER PER WWS STD. DETAIL W-1
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49. FINISH AND INSTALL 12" CAST IRON MANHOLE AND COVER PER WWS STD. DETAIL W-1
50. FINISH AND INSTALL 12" CAST IRON MANHOLE AND COVER PER WWS STD. DETAIL W-1

WEST VALLEY WATER DISTRICT
WATER LINE IMPROVEMENT PLANS
TRACT NO. 1804
CONDOMINIUM SUBDIVISION
SERVANDO WAY STA. 18+00.00 TO STA. 21+00.00
SHEET 9 OF 10
DATE: 10/15/2014

Exhibit C



Engineering Communities for Life

- ▲ CONSULTING
- ▲ LAND PLANNING
- ▲ CIVIL ENGINEERING
- ▲ SURVEYING

9302 Pittsburgh Avenue, Suite 230
 Rancho Cucamonga, CA 91730
 phone 909.481.6322
 fax 909.481.6320

October 11, 2018

West Valley Water District
 855 Base Line
 Rialto, CA 92377

Re: Sierra Crest II – Tr. 18944 – In-Tract Construction Quantity Estimates

Attention: Mr. Daniel Guerra – Engineering Development Coordinator

Cost estimates for Infrastructure Improvements at Sierra Crest II (Tr. 18944) are as follows:

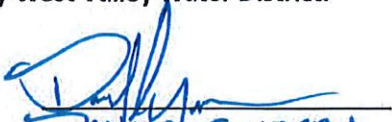
<u>In-Tract Water</u>	Qty.	UOM	Price	Total
12" Class 51 DIP or Class 150, 10 Ga CMLC In trench per WVWD Std. Detail W-1	348	LF	\$85	\$29,580
8" Class 51 DIP or Class 150, 10 Ga CMLC in trench per WVWD Std. Detail W-1	5,945	LF	\$41	\$243,745
12" Flanged Butterfly Valve per WVWD Std. Detail W-11	2	EA	\$2,500	\$5,000
12" Fitting (Bend, Elbow) per WVWD Std. Detail W-3A	7	EA	\$700	\$4,900
12" Fitting (Tee, Cross) per WVWD Std. Detail W-3D	2	EA	\$850	\$1,700
12" Flanged Coupling Adaptor	2	EA	\$1,040	\$2,080
8" Flanged Gate Valve	23	EA	\$1,700	\$39,100
8" Fitting (Bend, Elbow) per WVWD Std. Detail W-3A	11	EA	\$300	\$3,300
8" Fitting (Tee, Cross) per WVWD Std. Detail W-3D	6	EA	\$600	\$3,600
8" Flanged Coupling Adaptor	23	EA	\$700	\$16,100
6" Fire Hydrant	16	EA	\$6,600	\$105,600
1" Water Lateral and Service Meter	179	EA	\$960	\$171,840
1" Air Vac. Valve	1	EA	\$2,500	\$2,500
1 1/2" Water Service w/ 1 1/2" Backflow	1	EA	\$3,300	\$3,300
1" Water Service w/ 1" Backflow	1	EA	\$3,000	\$3,000
Remove 4" Dead End Flush-out and Join Existing	3	EA	\$3,800	\$11,400
Total:				\$646,745

Sincerely,

Mark Bertone, President
 Madole & Associates, Inc.

Approved by West Valley Water District:

Signature:



DANIEL GUERRA

10/16/18

Name:

Date:

Exhibit D

BOARD OF DIRECTORS

Dr. Clifford O. Young, Sr.
President, Board of Directors
 Gregory Young
Vice President, Board of Directors
 Dr. Michael Taylor
Director
 Kyle Crowther
Director
 Donald Olinger
Director



ESTABLISHED AS A PUBLIC AGENCY IN 1952
 WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
 SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
 AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
 WATER-USE EFFICIENCY AND CONSERVATION.

ADMINISTRATIVE STAFF

Robert Christman
Interim General Manager
 Greg Gage
Assistant General Manager
 Deborah L. Martinez
*Interim Human Resources
 and Risk Manager*
 Crystal L. Escalera
Interim Board Secretary
 Patricia Romero
Assistant Board Secretary

2018 HOLIDAY LIST

MONDAY, JANUARY 1	NEW YEAR'S DAY
TUESDAY, JANUARY 2	NEW YEAR'S EVE (OBSERVED)
MONDAY, JANUARY 15	MARTIN LUTHER KING, JR.
MONDAY, FEBRUARY 19	PRESIDENT'S DAY
MONDAY, MAY 28	MEMORIAL DAY
WEDNESDAY, JULY 4	INDEPENDENCE DAY
MONDAY, SEPTEMBER 3	LABOR DAY
MONDAY, NOVEMBER 12	VETERANS DAY (OBSERVED)
THURSDAY, NOVEMBER 22	THANKSGIVING DAY
FRIDAY, NOVEMBER 23	DAY AFTER TAHNKSGIVING
MONDAY, DECEMBER 24	CHRISTMAS EVE
TUESDAY, DECEMBER 25	CHRISTMAS DAY
MONDAY, DECEMBER 31	NEW YEAR'S EVE

2019 HOLIDAY LIST

TUESDAY, JANUARY 1	NEW YEAR'S DAY
--------------------	----------------

Exhibit E

WEST VALLEY WATER DISTRICT

PROCEDURAL DOCUMENTS

NOTICE TO PROCEED

TO: K. HOVNIANIAN COMMUNITIES, INC
400 Exchange, Suite 200
Irvine, CA 92602

Project Description: SIERRA CREST II

You are hereby notified to commence work in accordance with the Agreement dated _____, 2018, on or before _____, 20 18, and you are to complete the Work within one year from the estimated construction start date.

You are required to return an acknowledged copy of this Notice to Proceed to the Owner.

Dated this ___ day of _____, 2018.

WEST VALLEY WATER DISTRICT

By _____
Clarence C. Mansell, Jr.

Title Interim General Manager

ACCEPTANCE OF NOTICE

Receipt of the above Notice to Proceed is hereby acknowledged by _____
_____.

THIS THE ___ DAY OF _____, 2018.

Developer

By _____

Title _____

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 Orange)

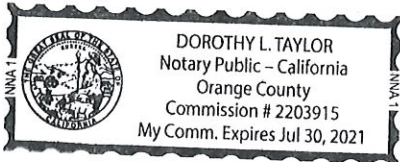
On November 18, 2018 before me, Dorothy L. Taylor, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Douglas Woodward
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 Dorothy L. Taylor
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 or Type of Document: Notice to Proceed Document Date: 11-18-18

Number of Pages: 1 Signer(s) Other Than Named Above: Clarence C. Mansell, Jr. West Valley Water District

Capacity(ies) Claimed by Signer(s)

Signer's Name: Douglas Woodward
 Corporate Officer — Title(s): Div. President

- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: K. Hovnanian Communities, Inc.

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

BOND NO. 0219918**FAITHFUL PERFORMANCE BOND**

To WEST VALLEY WATER DISTRICT for Water System Installation in Accordance with Water Improvement Plans for **Water Line Improvement Plans Tract No. 18944**, dated May 18th, 2018. This premium charged on this bond is \$ 10,348.00 being at the rate of \$ 16.00 per thousand of the contract price.

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, the WEST VALLEY WATER DISTRICT has awarded to:

K. Hovnanian Communities, Inc
400 Exchange, Suite 200
Irvine, CA 92602

as the "Principal", an agreement for the work described as follows:

Tract No. 18944 – Sierra Crest II - Water System Installation in Accordance with Approved Water Improvement Plans for Water Line Improvement Plans Tract No. 18944, dated May 18th, 2018.

WHEREAS, the said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of labor and materials of said contract:

NOW, THEREFORE, WE the undersigned Developer, as Principal, and

Berkley Insurance Company (Name of Surety)

475 Steamboat Rd., Greenwich, CT 06830 (Address of Surety) duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the WEST VALLEY WATER DISTRICT in the sum **SIX HUNDRED FORTY-SIX THOUSAND SEVEN HUNDRED FORTY-FIVE** no/100 dollars (**\$646,745.00**), lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the above bounded 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 all the undertakings, terms, covenants, conditions and agreements in the said agreement 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 WEST VALLEY WATER DISTRICT, its officers, agents, and as therein stipulated, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect. In case suit is brought on this bond, Surety further agrees to pay all court costs and reasonable attorney's fees as shall be fixed by the court.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any way 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 contract or to the work or to the specifications.


IN WITNESS WHEREOF, we have hereunto set our hands this 19th day of November, 2018.

ALL SIGNATURES MUST BE NOTARIZED

PRINCIPAL

K. Hovnanian Communities, Inc

a California Corporation

By: 
Douglas Woodward, Division President

Authorized Agent

(NOTARIZATION AND SEAL)

SURETY

Berkley Insurance Company

By: *Christine Marotta*
Christine Marotta, Attorney-in-Fact

(NOTARIZATION AND SEAL)



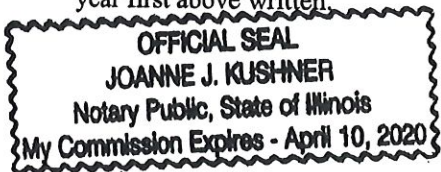
ACKNOWLEDGMENT OF SURETY

STATE OF ILLINOIS

COUNTY OF COOK

On NOV 14 2018, before me, a Notary Public in and for the above county, personally appeared Christine Marotta to me personally known, who, being by me duly sworn, did state that he/she is Attorney-in-Fact of Berkley Insurance Company, a corporation organized and existing under the laws of the State of Delaware that the seal affixed to the foregoing instrument is the corporate seal of the said corporation, that the instrument was signed, sealed, and executed in behalf of said corporation by authority of its Board of Directors, and further acknowledged the said instrument and the execution thereof to be the voluntary act and deed of said corporation by her voluntarily executed.

IN WITNESS WHEREOF, I have hereunto subscribed by name and affixed my official seal the day and year first above written.



[Signature]
Notary Public

(SEAL)

COOK County, ILLINOIS

POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE

NOTICE: The warning found elsewhere in this Power of Attorney affects the validity thereof. Please review carefully.

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: Christine Marotta; Debra Kohlman; Thomas P. Pluss; or Richard Enzo Valente of Lockton Companies, LLC of Chicago, IL its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00), to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 10th day of April, 2017.

Attest:

Berkley Insurance Company

(Seal)

By

Ira S. Lederman
Executive Vice President & Secretary

By

Jeffrey M. Hafler
Senior Vice President

WARNING: THIS POWER INVALID IF NOT PRINTED ON BLUE "BERKLEY" SECURITY PAPER.

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 10th day of April, 2017, by Ira S. Lederman and Jeffrey M. Hafler who are sworn to me to be the Executive Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

MARIA C. RUNDBAKEN
NOTARY PUBLIC
MY COMMISSION EXPIRES
APRIL 30, 2019

Notary Public, State of Connecticut

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this NOV 14 2018 day of

(Seal)

Vincent P. Forte

WARNING - Any unauthorized reproduction or alteration of this document is prohibited. This power of attorney is void unless seals are readable and the certification seal at the bottom is embossed. The background imprint, warning and verification instructions (on reverse) must be in blue ink.

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 Orange)

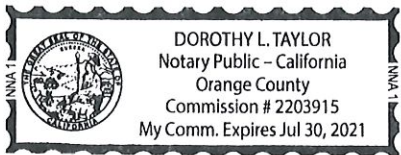
On November 19, 2018 before me, Dorothy L. Taylor, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Douglas Woodward
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 Dorothy L. Taylor
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 or Type of Document: Faithful Bond-Performance #0219918 #646,745.00
Document Date:
Number of Pages: 1 Signer(s) Other Than Named Above: Christine Marotta

Capacity(ies) Claimed by Signer(s)

- Signer's Name: Douglas Woodward
[checked] Corporate Officer - Title(s): Div. President
[] Partner - [] Limited [] General
[] Individual [] Attorney in Fact
[] Trustee [] Guardian or Conservator
[] Other:

- Signer's Name:
[] Corporate Officer - Title(s):
[] Partner - [] Limited [] General
[] Individual [] Attorney in Fact
[] Trustee [] Guardian or Conservator
[] Other:

Signer Is Representing: K. Hovnanian Communities, Inc.
Signer Is Representing: Berkley Insurance Company

BOND NO. 0219919

WARRANTY BOND

Warranty Guarantee Bond to the WEST VALLEY WATER DISTRICT for Water System Installation in accordance with the Approved Water Improvement Plans for **Water Line Improvement Plans Tract No. 18944**, dated May 18th, 2018. KNOW ALL MEN BY THESE PRESENTS; THAT WHEREAS, THE WEST VALLEY WATER DISTRICT, (sometimes referred to hereinafter as "Obligee"), has an agreement with the "Developer" to install a water system within Developer's development in Tract 18944, San Bernardino County, California.

WHEREAS, the water system is more particularly set forth in that certain design plan and specifications dated May 18th, 2018, and identified as **Water Line Improvement Plans Tract No. 18944**, dated May 18th, 2018, which is incorporated herein by this reference.

WHEREAS, the Developer is required by said WEST VALLEY WATER DISTRICT to warrant the completed water system against defective labor or workmanship and materials for a period of two (2) years, and to provide a bond for guarantee of cost of repairs due to defective labor, workmanship, or materials.

NOW THEREFORE, we **K. Hovnanian Communities, Inc** the undersigned Developer as Principal and ^{Berkley Insurance Company} _____, a corporation organized and existing under the laws of the State of Delaware, and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the WEST VALLEY WATER DISTRICT in the sum of **SIX HUNDRED FORTY-SIX THOUSAND SEVEN HUNDRED FORTY-FIVE** no/100 dollars (**\$646,745.00**), said sum being not less than 100 percent of the total cost for installation (including labor and materials) of the water system, we find 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 the above bounden 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 agreements to make all repairs to said water system necessitated by defective labor, workmanship or materials, and shall faithfully fulfill this two (2) year Guarantee of all materials, labor and workmanship and indemnify and save harmless the WEST VALLEY WATER DISTRICT'S, its officers and agents, as stipulated herein, then this obligation shall become null and void two (2) year from the date of WEST VALLEY WATER DISTRICT formal acceptance of the water system (Conveyance and Acceptance of Water System Agreement – Section 16)

In case suit is brought upon this bond or letter of credit, the said Surety shall pay to the WEST VALLEY WATER DISTRICT a reasonable attorney's fee to be fixed by the Court in addition to the principal amount of this bond. The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the agreement between WEST VALLEY WATER DISTRICT and Developer, or the work to be performed by the Developer or to the specifications of water system, 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 or to specifications.

IN WITNESS WHEREOF, we have hereunto set our hands this 19th day of November, 2018.

ALL SIGNATURES MUST BE NOTARIZED

K. Hovnanian Communities, Inc (Principal)

Berkley Insurance Company (Surety)

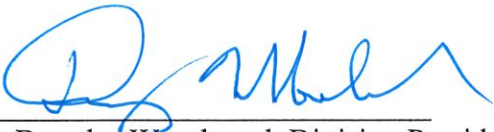
Christine Marotta (Attorney-In-Fact)

This rate of premium on this bond is \$16.00 per thousand. The total amount of premium charged: \$10,348.00 (The above must be filled in by corporate surety).

Note: Copy of the power of attorney to local representatives of the bonding company may be attached hereto.

PRINCIPAL

K. Hovnanian Communities, Inc
a California Corporation

By: 

Douglas Woodward, Division President

Authorized Agent

(NOTARIZATION AND SEAL)

SURETY

Berkley Insurance Company

By: *Christine Marotta*
Christine Marotta, Attorney-in-Fact

(NOTARIZATION AND SEAL)



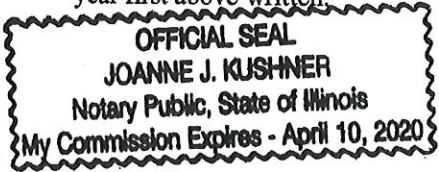
ACKNOWLEDGMENT OF SURETY

STATE OF ILLINOIS

COUNTY OF COOK

On NOV 14 2018, before me, a Notary Public in and for the above county, personally appeared Christine Marotta to me personally known, who, being by me duly sworn, did state that he/she is Attorney-in-Fact of Berkley Insurance Company, a corporation organized and existing under the laws of the State of Delaware that the seal affixed to the foregoing instrument is the corporate seal of the said corporation, that the instrument was signed, sealed, and executed in behalf of said corporation by authority of its Board of Directors, and further acknowledged the said instrument and the execution thereof to be the voluntary act and deed of said corporation by her voluntarily executed.

IN WITNESS WHEREOF, I have hereunto subscribed by name and affixed my official seal the day and year first above written.



[Signature]
Notary Public

(SEAL)

COOK County, ILLINOIS

POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE

NOTICE: The warning found elsewhere in this Power of Attorney affects the validity thereof. Please review carefully.

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: Christine Marotta; Debra Kohlman; Thomas P. Pluss; or Richard Enzo Valente of Lockton Companies, LLC of Chicago, IL its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00), to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 14th day of April, 2017.

Attest:

Berkley Insurance Company

(Seal)

By

By

Ira S. Lederman
Executive Vice President & Secretary

Jeffrey M. Hafter
Senior Vice President

WARNING: THIS POWER INVALID IF NOT PRINTED ON BLUE "BERKLEY" SECURITY PAPER.

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 14th day of April 2017, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Executive Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

MARIA C. RUNDBAKEN
NOTARY PUBLIC
MY COMMISSION EXPIRES
APRIL 30, 2019

Notary Public, State of Connecticut

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this NOV 14 2018 day of

(Seal)

Vincent P. Forte

WARNING - Any unauthorized reproduction or alteration of this document is prohibited. This power of attorney is void unless seals are readable and the certification seal at the bottom is embossed. The background imprint, warning and verification instructions (on reverse) must be in blue ink.

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 Orange)

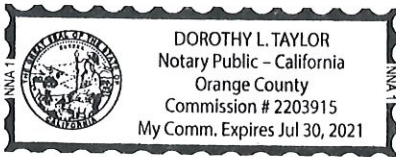
On November 19, 2018 before me, Dorothy L. Taylor, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Douglas Woodward
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/het/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 Dorothy L. Taylor
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 or Type of Document: Bond-Warranty #0219919 \$646,745.00 Document Date: 11-14-18
Number of Pages: 1 Signer(s) Other Than Named Above: Christine Marotta

Capacity(ies) Claimed by Signer(s)

Signer's Name: Douglas Woodward
[checked] Corporate Officer - Title(s): Div. President
[] Partner - [] Limited [] General
[] Individual [] Attorney in Fact
[] Trustee [] Guardian or Conservator
[] Other:

Berkley Insurance Company

Signer's Name:
[] Corporate Officer - Title(s):
[] Partner - [] Limited [] General
[] Individual [] Attorney in Fact
[] Trustee [] Guardian or Conservator
[] Other:

Signer Is Representing: K. Hovhanian Communities, Inc.

Signer Is Representing:



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: January 9, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: CONSIDER A WATER SYSTEM INFRASTRUCTURE INSTALLATION
 AND CONVEYANCE AGREEMENT WITH CASMALIA HOLDINGS, LLC

BACKGROUND:

On September 20, 2018, the Board of Directors approved a Water System Infrastructure Installation and Conveyance Agreement (“Agreement”), with B&B Plastics Recyclers, Inc, for a development located at the northeast corner of Locust Avenue and Casmalia Street in the City of Rialto, as shown in **Exhibit A**. At the request of the property owner, the approved Agreement, shown in **Exhibit B**, was revised to name Casmalia Holdings, LLC as the “Developer” for the project and not B&B Plastics Recyclers, Inc. The proposed development still includes the construction and operation of a 151,866 square-foot warehouse distribution center with offices and the development is still required to extend an existing 12-inch water main the length of its property on Locust Avenue for domestic, fire and irrigation water services.

DISCUSSION:

In order to incorporate the change in Developer, the West Valley Water District (“District”) and Casmalia Holdings, LLC will need to enter into a new Agreement. This Agreement will outline the responsibilities of the Developer in constructing facilities, including insurance, indemnification and bonding requirements as well as conveyance and acceptance of the water system by the District. Attached as **Exhibit C** is the revised copy of the Water System Infrastructure Installation and Conveyance Agreement for this development.

FISCAL IMPACT:

No fiscal impact to the District.

STAFF RECOMMENDATION:

It is recommended that the Engineering and Planning Committee approve the new Water System Infrastructure Installation and Conveyance Agreement with Casmalia Holdings, LLC. and have this item considered by the full Board of Directors at a future meeting.

Respectfully Submitted,

Clarence C. Mansell Jr.

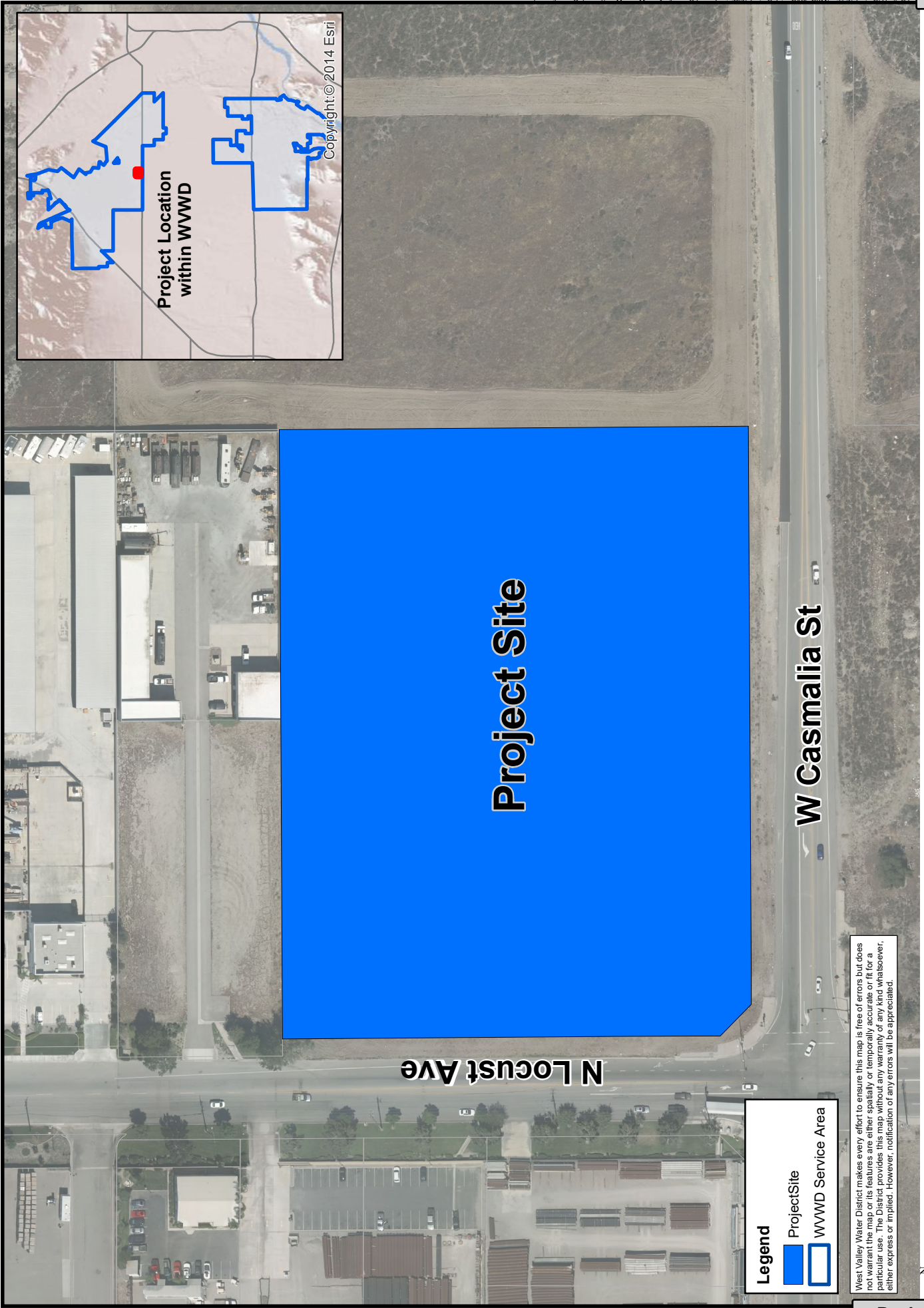
Clarence Mansell Jr., Interim General Manager

DG:ce

ATTACHMENT(S):

1. Exhibit A - Aerial Map
2. Exhibit B - Water System Infrastructure Installation and Conveyance Agreement with B&B Plastics
3. Exhibit C - Water System Infrastructure Installation and Conveyance Agreement with Casmalia Holdings LLC

EXHIBIT A



Project Site

N Locust Ave

W Casmalia St

Legend

- Project Site
- WWWD Service Area

Project Location within WWWD

Copyright © 2014 Esri

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.

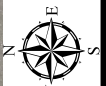


Exhibit A
Locust Ave and Casmalia St



Date: 8/20/2018

EXHIBIT B



**BOARD OF DIRECTORS
STAFF REPORT**

DATE: September 20, 2018
TO: Board of Directors
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: CONSIDER A WATER SYSTEM INFRASTRUCTURE INSTALLATION
AND CONVEYANCE AGREEMENT WITH B&B PLASTICS RECYCLERS,
INC.

BACKGROUND:

B&B Plastics Recyclers, Inc. ("Developer") is the owner of land located at the northeast corner of Locust Avenue and Casmalia Street in the City of Rialto, known as 1892 W. Casmalia Street ("Development"), as shown in **Exhibit A**. The proposed development includes the construction and operation of a 151,866 square-foot warehouse distribution center with offices. In developing this land, the Developer is required to extend an existing 12-inch water main the length of its property on Locust Avenue and install water services for domestic, fire and irrigation purposes.

DISCUSSION:

In order to construct the water facilities needed to supply water to the Development, West Valley Water District ("District") and the Developer wish to enter into a Developer-Installed Water System Infrastructure Installation and Conveyance Agreement ("Agreement"). This Agreement outlines the responsibilities of the Developer in constructing facilities, including insurance, indemnification and bonding requirements as well as conveyance and acceptance of the water system by the District. Attached as **Exhibit B** is a copy of the Water System Infrastructure Installation and Conveyance Agreement for this development.

FISCAL IMPACT:

No fiscal impact to the District.

STAFF RECOMMENDATION:

The Engineering and Planning Committee recommends the Board of Directors to approve the Water System Infrastructure Installation and Conveyance Agreement with B&B Plastics Recyclers, Inc.

Respectfully Submitted,

Clarence C. Mansell Jr.

Clarence Mansell Jr., Interim General Manager

DG:ce

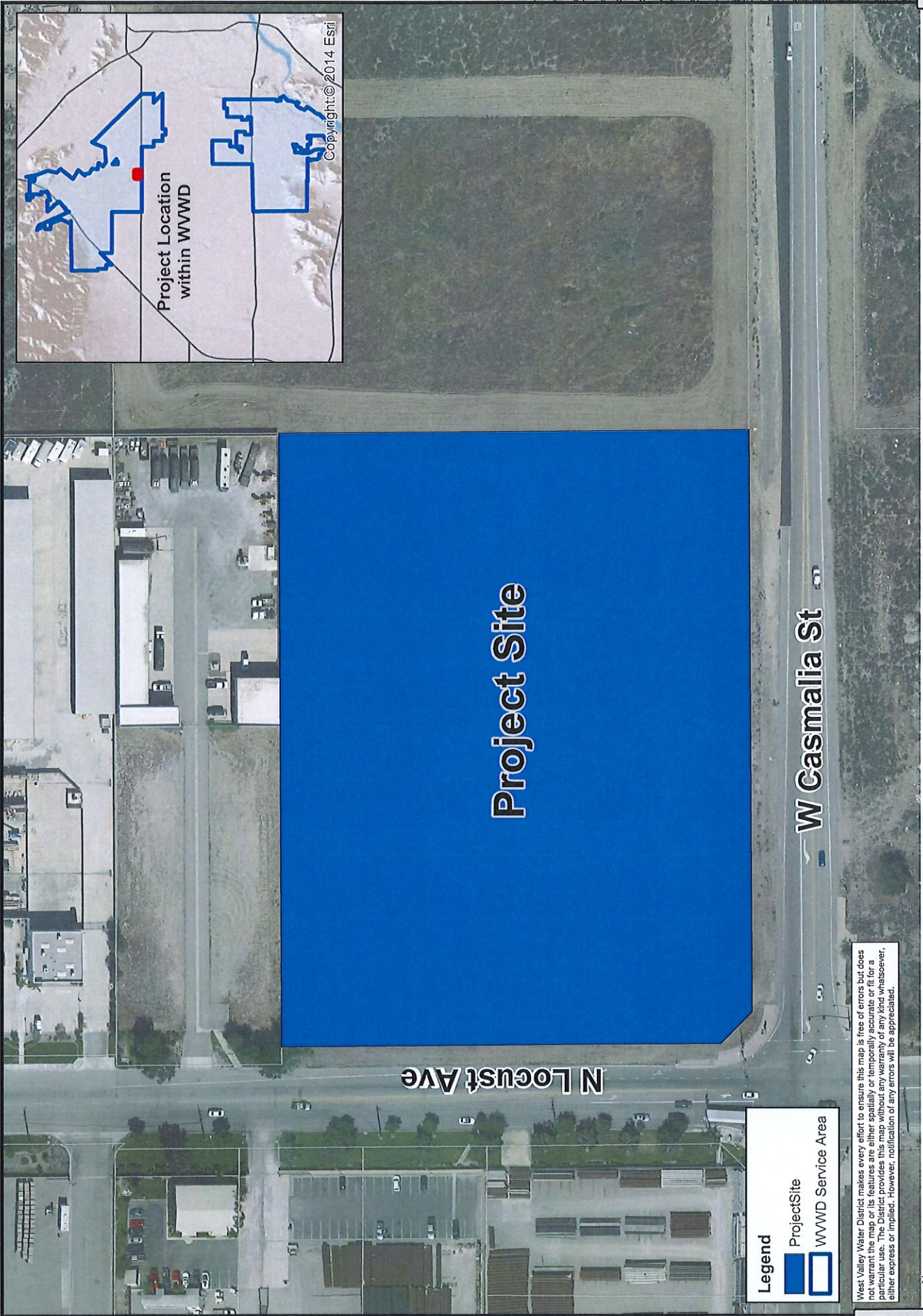
ATTACHMENT(S):

1. Exhibit A - Aerial Map
2. Exhibit B - Water System Infrastructure Installation and Conveyance Agreement

MEETING HISTORY:

09/10/18 Engineering and Planning Committee REFERRED TO BOARD

EXHIBIT A



Legend

- Project Site
- WWWD Service Area

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.



Exhibit A
Locust Ave and Casmalia St



Date: 8/20/2018

WATER SYSTEM INFRASTRUCTURE INSTALLATION AND CONVEYANCE AGREEMENT

This water system infrastructure installation and conveyance agreement ("Agreement") is entered into and effective as of _____ by and between **B&B PLASTICS RECYCLERS, INC** ("Developer"), and WEST VALLEY WATER DISTRICT ("District") who agree as follows:

The Developer is the owner of certain land described as **B&B PLASTICS** and as more fully (or further) shown on Exhibit "A". In developing this land, the Developer is desirous of obtaining a public water supply adequate for domestic uses and public fire protection purposes and is desirous of integrating that water system into the District's public water system.

In order to provide facilities for a water supply to said land, it is the intention of the parties to this Agreement that the Developer shall furnish and install those water mains, fire hydrants, service laterals, water meters and valves, valve boxes, and all other appurtenant fittings and facilities required for a complete water system to serve the land shown on Exhibit "A".

In order to implement the foregoing and in consideration of the terms and conditions herein contained, the parties further agree as follows:

1. DESIGN

1.1. Developer shall design and construct, at the Developer's own expense, the water facilities and appurtenances required to serve the development in accordance with final District-approved plans known as **WATER IMPROVEMENT PLANS FOR B&B PLASTICS**, as approved and attached herein as Exhibit "B" and in accordance with District-approved design standards and specifications, and the terms and conditions of this Agreement.

1.2. The water system design shall be by a Professional Engineer registered in the State of California, and in accordance with the District's most recent Rules and Regulations (the "Rules and Regulations"), the District's Standards for Domestic Water Facilities and Standard Drawings herein included by reference, all applicable District ordinances and policies and all City, County of San Bernardino, State of California, and Federal laws, ordinances, rules, regulations, codes and other legal requirements of all government bodies having jurisdiction over said construction and property (all of the foregoing requirements in this paragraph being collectively referred to herein at times as "Legal Requirements").

1.3. The District, at Developer's expense, shall review Developer's plans for the purpose of ensuring the adequacy of the design and conformance with the District's standards and specifications. The District reserves the right to add, delete, modify, change or amend any or all the plans and specifications.

1.4. In the event that the property to be developed includes multiple residential, condominiums, commercial or industrial uses, all site plans, grading plans, and any available plumbing plot plans shall be furnished to the District by Developer.

1.5. The District makes no warranties as to the correctness, accuracy or completeness of the plans and specifications. The accuracy, adequacy, suitability, and correctness of the water system design shall be the sole responsibility of the Developer.

2. CONSTRUCTION

2.1. Developer shall perform, or caused to be performed, all construction of the water system infrastructure installation pursuant to the approved water system plans, and all Legal Requirements.

2.2. The performance of this Agreement shall commence within ninety (90) calendar days from the date of this Agreement and shall be completed within one (1) year from the estimated construction start date.

2.3. Time is of the essence in this Agreement; provided that, in the event good cause is shown therefore, the general manager of the District ("General Manager") may extend the time for completion of the water system installation. Any such extension may be granted without the notice to Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure faithful performance of this Agreement. The General Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

2.4. The Developer and its contractor and subcontractors shall attend a preconstruction meeting with the District at the District's headquarters no less than five (5) working days prior to commencement of construction.

2.5. No work on water facilities shall commence prior to the completion of all required curbs and gutters.

3. LICENSES AND PERMITS

3.1. Developer, and all of Developer's contractors and subcontractors warrants it possesses, or shall obtain, and maintain during the term of this Agreement any and all licenses, permits, qualifications, insurance and approval of whatever nature that are legally required of Developer, its contractors, and all subcontractors to practice its profession, skill or business.

3.2. The work to be performed under this Agreement, except meter installations, shall be performed by Developer, or a contractor or subcontractor who is pre-approved by the District and is licensed under the laws of the State of California in the specialty Class of "C-34" Pipeline or Class "A" General Engineering. A copy of the contract between Developer and the selected pre-approved contractor and all subcontractors shall be submitted to the District for review and approval.

3.3. Excavation/resurfacing permits shall be secured by Developer at Developer's expense. Permits/easements to install, maintain and operate water system facilities in private property shall be secured by Developer at Developer's own expense prior to construction.

3.4. Developer shall, at Developer's own expense, be responsible for obtaining and adhering to a National Pollution Discharge Elimination System (NPDES) permit from the Regional Water Quality Board as required for construction or pipeline flushing and disinfection.

4. INSURANCE REQUIREMENTS

4.1. The following insurance requirements have been adopted by the District and shall be applicable to this Agreement. These requirements supersede the insurance requirements set forth in any other reference of the District, and to the extent of any conflict, the specified requirements herein shall prevail.

4.2. Developer shall ensure that Developer's contractors conform to the following insurance requirements and that all required documents are submitted to the District at the time of Agreement submittal: Developer shall ensure that its contractors and all subcontractors shall purchase and maintain insurance in amounts equal to the requirements set forth in (a) through (d) below, and shall not commence work under this Agreement until all insurance required under this heading is obtained in a form acceptable to the District, nor shall Developer allow any contractor or subcontractor to commence construction pursuant to a contract or subcontract until all insurance required of the contractor and any subcontractors has been obtained.

a. General Liability: Developer shall ensure that its contractor and all subcontractors shall maintain during the life of this Agreement, a standard form of either Comprehensive General Liability insurance or Commercial General Liability insurance ("General Liability Insurance") providing the following minimum limits of liability: Combined single limit of \$1.0 million per occurrence for bodily injury, including death, personal injury, and property damage with \$2.0 million minimum aggregate, separate for this project as evidenced by endorsement. The insurance shall include coverage for each of the following hazards: Premises-Operations; Owners and Contractors Protective; Broad Form Property Damage contractual for Specific Contract; Severability of Interest or Cross-Liability; XCU Hazards; and Personal Injury – With the "Employee" Exclusive Deleted.

b. Automotive/Vehicle Liability Insurance: Developer shall ensure that its contractor and all subcontractors shall maintain a policy of automotive/vehicle liability insurance on a commercial auto liability form covering owned, non-owned and hired automobiles providing the following minimum limits of liability: Combined single limit of liability of \$1.0 million per accident for Bodily Injury, Death and Property Damage ("Automotive/Vehicle Liability Insurance").

c. Workers' Compensation Insurance: Developer shall ensure that its contractor and all subcontractors shall provide such workers' compensation insurance with statutory minimum amounts of coverage, as required by the California *Labor Code* and other applicable law, and including employer's liability insurance with a minimum limit of \$1,000,000.00 ("Workers' Compensation Insurance"). Such Workers' Compensation Insurance shall be endorsed to provide for a waiver of subrogation against the District.

d. Excess Liability: Developer shall ensure that its contractor and all subcontractors shall provide a policy providing excess coverage in a face amount necessary when

combined with the primary insurance, to equal the minimum requirements for General Liability Insurance and Automotive/Vehicle Liability Insurance.

4.3. The insurances provided for in Section 4.2 and its subsections above are subject to all of the following conditions:

a. The insurance shall be issued and underwritten by insurance companies acceptable to the District, and shall be licensed by the State of California to do business on the lines of insurance specified. The insurers must also have an "A-" Policyholder's rating" and a "financial rating" of at least Class VII in accordance with the most current A.M. Best's Rating Guide.

b. Developer's contractor and subcontractors may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

c. Any costs associated with a self-insured program, deductibles, or premium rating programs that determine premium based on loss experience shall be for the account of Developer, Developer's contractor and subcontractors, and the District shall not be required to participate in any such loss. If any such programs exist, Developer, Developer's contractor and subcontractors, agree to protect and defend the District in the same manner as if such cost provisions were not applicable.

d. Developer shall ensure that its contractor and all subcontractors shall have presented at the time of execution of the Agreement, the original policies of insurance and a certificate of insurance naming the District as the certificate holder and that such coverage is in force and complies with the terms and conditions outlined herein.

e. If an insurance policy contains a general policy aggregate of less than the minimum limits specified, then the policy coverage shall be written with limits applicable solely to this Agreement, as specified, and shall not be reduced by or impaired by any other claims arising against Developer. These policy limits shall be set forth by separate endorsement to the policy.

4.4. Each such policy of General Liability Insurance and Automotive/Vehicle Liability Insurance shall contain endorsements providing the following:

a. The District, their board members, officers, agents, employees, consultants, and engineers, are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of the Developer at or upon any of the premises of the District in connection with the Agreement with the District, or acts or omissions of the additional insureds in connection with, but limited to its general supervision or inspection of said operations and save for any claims arising from the sole negligence or sole willful misconduct the District.

b. No policy shall be canceled, limited, materially altered, or non-renewed by the insurer until thirty (30) days after receipt by the District of a written notice of such cancellation or reduction in coverage.

c. This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon to cover a loss under this policy.

5. BONDING REQUIREMENTS

5.1. Developer shall generate an engineer's cost estimate based on the water system plans provided to the District. The estimated costs, attached herein as Exhibit "C", will be submitted to the District for review and approval, and shall be used as the basis for bonding requirements for the water system described in the plans provided to the District by the Developer and approved for construction by the District. The sole intent and purpose of the engineer's estimate is to establish a cost valuation for bonding purposes only.

5.2. Performance Bond: Developer engineer's estimate for the water system improvements for **WATER IMPROVEMENT PLANS FOR B&B PLASTICS** is **EIGHTY THOUSAND THREE HUNDRED NINETY-SEVEN no/100 DOLLARS (\$80,397.00)**. Developer shall and by this Agreement does guarantee the Developer's faithful performance of this Agreement and all of its terms and conditions by providing the following: Developer shall provide the District with either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a performance bond, from a surety institution licensed by the State of California and authorized to do and doing business in said State, valid and renewable until such improvements are accepted by the District. The irrevocable letter of credit or performance bond shall be in the amount **EIGHTY THOUSAND THREE HUNDRED NINETY-SEVEN no/100 DOLLARS (\$80,397.00)**, equal to 100 percent of the approved Developer's estimate.

5.3. Warranty Bond: Developer shall, in addition, and by this Agreement does guarantee to the District that, for two years after the District's acceptance of Developer-installed and completed water facilities and appurtenances, such facilities and appurtenances shall be free from any and all liens and encumbrances and free from any and all defects in the materials or construction thereof. The two-year guarantee shall be either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a warranty bond in the amount of **EIGHTY THOUSAND THREE HUNDRED NINETY-SEVEN no/100 DOLLARS (\$80,397.00)**, equal to 100 percent of the Developer's estimate beginning at the date of the acceptance of the water facilities by the District.

6. MATERIALS

6.1. The water system facilities to be installed pursuant to this Agreement shall become an extension of the distribution system of the District. All materials used must conform to District specifications for such materials pursuant to all applicable Legal Requirements.

7. NOTICES

7.1. All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

- 7.2. Notices required shall be given to the **District** addressed as follows:
WEST VALLEY WATER DISTRICT

Attn: General Manager
 Post Office Box 920
 Rialto, CA 92377
RE: Water Improvement Plans for B&B Plastics

- 7.3. Notices required shall be given to **Developer** addressed as follows:
B&B Plastics Recyclers, Inc

Baltazar Mejia, President
 3040 N. Locust Ave
 Rialto, CA 92377
RE: Water Improvement Plans for B&B Plastics

- 7.4. Notices required shall be given to **Surety** addressed as follows:

SURETY NAME:
 ATTN TO:
 ADDRESS
RE: Water Improvement Plans for B&B Plastics

7.5. Provided that any party or Surety may change such address by notice in writing to the other party, and thereafter, notices shall be addressed and transmitted to the new address.

7.6. The Developer or its contractor shall provide the District forty-eight (48) hours advance notice of request for inspection or testing.

- 7.7. The District is closed on the holidays listed in Exhibit "D".

8. NOTICE TO PROCEED TO CONSTRUCT WATER SYSTEM FACILITIES

8.1. Upon acceptance of the insurance and aforementioned bonds and/or irrevocable letters of credit in the amounts provided herein and approval by the District and upon payment of all applicable charges, the Agreement shall be signed by Developer and the District. The District shall return an original copy of the signed Agreement with a letter to Developer giving notice to proceed to construct the water system facilities using the form contained in (Exhibit "E").

9. INSPECTION

9.1. It is understood that the sole purpose and intent of the District's inspection and testing is to validate that the materials, workmanship, and construction of the water facilities are in compliance with the District-approved final plans, the District's Rules and Regulations, the Standards for Domestic Water Facilities, the Standard Drawings, and all other applicable District requirements. Developer acknowledges and represents that it assumes full and sole responsibility for the safety and management of the project.

9.2. Developer shall at all times maintain proper facilities and provide safe access for inspection by the District to all parts of the work and to the shops wherein the work is in

preparation. Additionally, in connection with the performance of this Agreement, the District shall have the authority to enter the work site at any time for the purpose of identifying the existence of conditions, either actual or threatened, that may present a danger of hazard to any and all employees. Developer agrees that the District, in its sole authority and discretion, may order the immediate abatement of any and all conditions that may present an actual or threatened danger or hazard to any and all employees at the work site. Furthermore, Developer acknowledges the provisions of California *Labor Code* Section 6400 et seq., which requires that employers shall furnish employment and a place of employment that is safe and healthful for all employees working therein. In the event the District identifies the existence of any condition that presents an actual or threatened danger or hazard to any or all employees at the work site, the District is hereby authorized to order an immediate abatement of that condition.

9.3. All work and materials shall be subject to inspection, testing, and acceptance by the District at Developer's expense. In the event Developer arranges to have materials fabricated for the project, Developer may be required to arrange for the District to inspect that material during fabrication at Developer's expense.

9.4. All material fabrications shall be preapproved by the District and must conform to District standards and specifications.

9.5. The District's inspectors shall have full, unlimited access to perform continuous inspection and have the authority to stop work at any time, by written notice, without any liability whatsoever to the District, if, in the inspectors' judgment, the work called for by this Agreement, or the District approved plans, or the specifications is not being installed or performed in a satisfactory and workmanlike manner according to District's standards and specifications and/or in the event the materials do not comply with the District's standards and specifications.

9.6. Final acceptance of all material to be purchased or fabricated by Developer under this Agreement shall be made only with the prior approval of the District. Approval by the District, however, shall not operate to relieve the material supplier or Developer of any guarantees, warranties, or the duty of compliance with any of the requirements of the approved plans and specifications or of this Agreement. All construction pursuant to this Agreement shall be inspected pursuant for conformity with District requirements. Developer shall pay actual costs for inspections.

10. TESTING AND DISINFECTION

10.1. All water system facilities and components constructed pursuant to this Agreement shall adhere to all requirements for testing, disinfection, and flushing pursuant to District standards and Legal Requirements.

11. RELOCATIONS, RECONSTRUCTIONS, AND DAMAGES

11.1. Developer accepts the responsibility for and the costs occasioned by any reconstruction, relocation, damages to, or changes of water services or facilities caused or contributed to directly or indirectly by any subsequent changes in the location of any of said facilities or water meters or water services.

12. AS-CONSTRUCTED DOCUMENTATION

12.1. In order for the District to accept the facilities, Developer shall provide all required documentation as specified in the Standards for Domestic Water Facilities, including As-Built drawings.

13. INDEMNIFICATION

13.1. Developer hereby agrees to and shall protect, defend, indemnify and hold the District and its board members, officers, agents, employees, and engineers free and harmless from any and all liability losses, damages, claims, liens, demands and cause of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interests, court costs, attorney's/legal fees, and all other expenses incurred by the District arising in favor of any party, including claims, liens, debts, demands for lost wages or compensation, personal injuries, including employees or the District, death or damages to property (including property of the District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Developer save and except claims or litigation arising through the sole negligence or sole willful misconduct of the District or the District's agents and employees. Developer shall investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at the sole expense of Developer even if the claim or claims alleged are groundless, false or fraudulent. Developer agrees to, and shall defend the District and its members, directors, officers, agents, employees, and engineers from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations, provided as follows:

a. That the District does not and shall not waive any rights against Developer which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by the District, or the deposit with District by Developer, or any of the insurance policies described in this Agreement.

b. That the aforesaid hold harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any or the aforesaid operations referred to in this subsection, regardless of whether or not District has prepared, supplied water system installation, or regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

This provision is not intended to create any cause of action in favor of any third party against Developer or the District or to enlarge in any way Developer's liability but is intended solely to provide for indemnification of the District from liability for damage or injuries to third persons or property arising from Developer's performance hereunder.

13.2. Neither Developer nor any of Developer's agents, contractors or subcontractors are, or shall be, considered to be agents of the District in connection with the performance of Developer's obligations under this Agreement.

14. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

14.1. If, within a period of two years after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developer shall, without delay and without any cost to District, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work structure. Should Developer fail to act promptly or in accordance with this requirement, or should the exigencies of the situation as determined by the District in the exercise of its sole discretion require repair, replacement or reconstruction before Developer can be notified, District may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to the District the actual cost of such repairs.

15. COSTS AND FEES

15.1. Developer shall pay actual costs for inspection and plan check. All costs and fees required, as outlined in the cost letter, shall be paid in full prior to the execution of this Agreement.

15.2. Any additional costs and fees shall be paid in full prior to conveyance and acceptance of the water system.

16. CONVEYANCE AND ACCEPTANCE OF WATER SYSTEM

16.1. Upon completion of the water system in accordance with the approved water plans and submission of the required documentation, the Developer shall convey the water system to the District.

16.2. The Developer shall furnish an irrevocable letter of credit to the District or a warranty bond (One Hundred (100%) of Developer's estimate) for a period of two years as stated in Sections 5.3 of this Agreement, as-built drawings with contractor redlines and AutoCAD files, materials list with quantities, labor, equipment, and materials, water system cost breakouts, compaction test report signed and sealed by a California Registered Engineer, notice of completion filed with San Bernardino County Recorder, fire flow tests of all hydrants, all required easements for water facilities and unconditional financial release from subcontractors and material providers, Upon compliance with all the terms and conditions of this Agreement, the District shall prepare the conveyance agreement accepting the water facilities and forward same to the address provided herein. Title to the ownership of said facilities and appurtenances shall thereby be conveyed to the District. The District shall thereafter operate and maintain said facilities so as to furnish water service to the development (Exhibit "A") in accordance with the District's ordinances, policies and Rules and Regulations.

17. PERMANENT WATER SERVICE

17.1. In no event shall permanent water services be provided to Developer's installed system until all applicable charges and fees have been paid by Developer and all facilities have been conveyed, free of all encumbrances, to the District, including any easements which may be required. Such conveyance shall occur in a timely manner in accordance with the terms of this Agreement.

18. BREACH OR DEFAULT OF AGREEMENT

18.1. If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extension thereof, or fails to obtain completion of said work within such time, or if Developer should be adjudged as bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer, or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this Agreement, the District's General Manager or the General Manager's designee may serve written notice upon Developer and Developer's surety of breach of this Agreement, or of any portion therefore, and default of Developer.

18.2. In the event of any such notice, Developer's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety, within five (5) days after the serving upon of such notice of breach, does not give the District written notice of its intention to take over the performance of the contract, and does not commence performance thereof within five (5) days after notice to the District of such election, District may take over the work and prosecute the same to completion, by contract or by any other method District may deem advisable, for the account and at the expense of Developer, and Developer's surety shall be liable to the District for any excess cost or damages occasioned District thereby; and, in such event, District, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developer as may be on the site of the work and necessary therefore.

19. SUCCESSORS BOUND

19.1. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective legal representatives, successors, heirs, and assigns.

[CONTINUED ON NEXT PAGE]

20. ENFORCEMENT OF PROVISIONS

20.1. The District's failure to enforce any provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall nevertheless be and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this Agreement.

WEST VALLEY WATER DISTRICT

By: _____
Clarence C. Mansell, Jr., Interim General Manager

Date: _____

DEVELOPER:

B&B Plastics Recyclers, Inc
A California Corporation

By: **B&B Plastics Recyclers, Inc**
A California Corporation

By: _____
Baltazar Mejia, President
Authorized Agent

Date: _____

Exhibit A



Legend

- Project Site
- WWWD Service Area

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.



Exhibit A
Locust Ave and Casmalia St

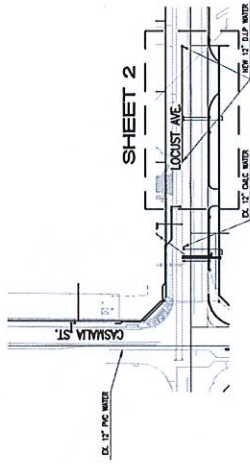
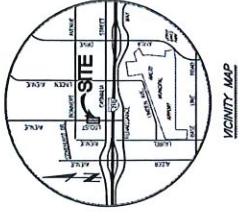


Date: 8/20/2018

Exhibit B

WATER PLAN

B&B PLASTICS, INC.
1892 W. CASMALIA ST.
RIALTO, CA. 92377



WATER NOTES

- a. Pipe 10" and smaller shall be Class 150 Double Jee pipe, or Class 200, or Class 150, 10 GA Cement Mortar Lined and Coated Steel Pipe, greater than 12" shall be Thickness Class 50 Double Jee pipe, or Class 150, 10 GA Cement Mortar Lined and Coated steel pipe or as specified.
- b. Water service laterals shall be type K copper line, minimum 1" diameter, with 1" x 24" x 1/2" elbows and tees. All fittings shall be type K copper. There shall be a service service for each lot being served. One service per pipe reach.
- c. All water service laterals to be installed at same time as main line. No splices shall be allowed on water service laterals.
- d. Water service laterals to be terminated 12" behind rear of curb or flare curb. In City limits terminate 12" behind flare sidewalk.
- e. Fire hydrants shall be 6" x 4" x 12" - Class 150, or equal, painted with one coat of red and one coat yellow. The 4" diameter outlet shall be perpendicular to the curb or flare curb.
- f. Depth of cover for water service laterals shall be minimum 30" for water mains, 18" and smaller shall be minimum 36" ; for 12" and larger pipe shall be minimum 42" or as specified on plans. All measurements from finish grade.
- g. All water mains shall be finished and disinfected per A.W.W.A. Standards C651 prior to use after installation or repair.
- h. Connection to be in accordance with the WEST VALLEY WATER DISTRICT "STANDARDS FOR DOMESTIC WATER FACILITIES."
- i. Water service is subject to the current District rules and regulation and any amendments thereto.
- j. If construction has not commenced within two years of the District approval date, this plan shall be resubmitted to the District for review and approval.
- k. Water lines to be installed only after the construction of concrete curb and gutter.
- l. Contractor to furnish 2-year warranty bond for all water facilities installed with this plan.

DESIGN

THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND SPECIFICATIONS HAVE BEEN RECORDED UNDER THE DISTRICT RECORDING OFFICE. THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND SPECIFICATIONS HAVE BEEN RECORDED UNDER THE DISTRICT RECORDING OFFICE WITH TITLE 27 CODE OF REGULATIONS CHAPTER 19 CALIFORNIA WATER WORK STANDARDS OF THE STATE OF CALIFORNIA.

SIGNATURE OF DESIGN CHARGE: _____ DATE: _____
 DATE: 12-21-2018
 EXPIRATION DATE: _____

WATER: _____ DATE: _____
 FIRE: _____ DATE: _____
 THE PROTECTION SYSTEM APPROVED: _____ DATE: _____

BY: _____
 SIGNATURE OF CITY FIRE CHIEF, OR COUNTY FIRE WARDEN, OR THE CHIEF OF LOCAL DISTRICT

WATER CONSTRUCTION NOTES

1. INSTALL 12" D.I.P. THICKNESS CLASS 50, PER DISTRICT SPECIFICATIONS. QUANTITIES 204.5 LF
2. FURNISH AND INSTALL 12" FIRE SERVICE LATERAL WITH 10' DOUBLE CHECK VALVE. QUANTITIES 140 LF/2 EA
3. FURNISH AND INSTALL FIRE HYDRANTS PER WWD STD. D.W.C. W-2. QUANTITIES 2 EA
4. FURNISH AND INSTALL 12" BUTTERFLY VALVES WWD. STD. D.W.C. W-11. QUANTITIES 1 EA
5. FURNISH AND INSTALL 4" DEAD-END FLUSH-OUT PER WWD STD. D.W.C. W-8. QUANTITIES 1 EA
6. SAW CUT AND REMOVE EXIST. 4" PAVEMENT RESTORE AS PAVEMENT PER CITY OF RIALTO STD. 2317. QUANTITIES 1823 SF
7. REMOVE EXISTING 4" CONCRETE THROST BLOCK PER WWD STD. D.W.C. W-30. QUANTITIES 4 EA
8. REMOVE EXISTING 4" DEAD-END FLUSH-OUT. QUANTITIES 1 EA
9. FURNISH AND INSTALL 2" WATER SERVICE WITH 2" METER PER WWD STD. W-5. QUANTITIES 65 LF/1 EA
10. FURNISH AND INSTALL 1" WATER SERVICE WITH 1" METER PER WWD STD. W-4. QUANTITIES 124 LF/2 EA
11. FURNISH AND INSTALL 1" REDUCED PRESSURE BACKFLOW PREVENTER PER WWD STD. W-20. PROVIDE 200' 40 STEEL SLEEVE FROM METER BOX TO R.P.R. QUANTITIES 1 EA
12. FURNISH AND INSTALL 1" REDUCED PRESSURE BACKFLOW PREVENTER PER WWD STD. W-20. PROVIDE 200' 40 STEEL SLEEVE FROM METER BOX TO R.P.R. QUANTITIES 2 EA
13. HOT TIP EXISTING WATER PER WWD STD. W-18 AND W-19. QUANTITIES 5 EA
14. FURNISH AND INSTALL 1" REDUCED PRESSURE BACKFLOW PREVENTER PER WWD STD. W-20. PROVIDE 200' 40 STEEL SLEEVE FROM METER BOX TO R.P.R. QUANTITIES 2 EA

ON-SITE FIRE HYDRANT NOTES

ALL D.I.P. SHALL BE INTERNALLY RESTRAINED PER DISTRICT STANDARD W-30. ALL D.I.P. JOINTS SHALL BE MECHANICALLY RESTRAINED UNLESS SPECIFIED.

ON-SITE FIRE HYDRANT SHALL BE INSTALLED PER THE DEPARTMENT APPROVED WATER PLANS, PRIOR TO BEING POINT INSTALLATION.

SHEET INDEX

- 1 - COVER SHEET PLAN AND PROFILE

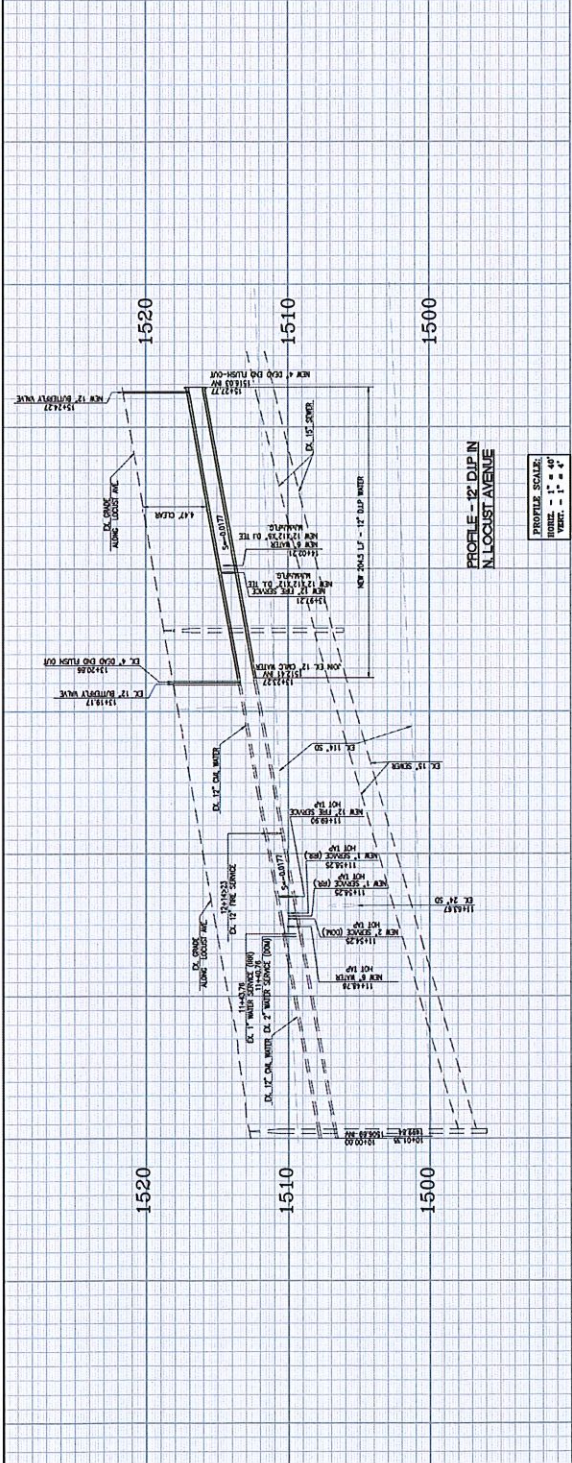
REVISIONS

1. Add Note 1 - Lower Profile Plan and Profile.
2. Amend Note 1 - Lower Profile Plan and Profile.
3. Amend Note 1 - Lower Profile Plan and Profile.
4. Amend Note 1 - Lower Profile Plan and Profile.
5. Amend Note 1 - Lower Profile Plan and Profile.
6. Amend Note 1 - Lower Profile Plan and Profile.
7. Amend Note 1 - Lower Profile Plan and Profile.
8. Amend Note 1 - Lower Profile Plan and Profile.
9. Amend Note 1 - Lower Profile Plan and Profile.
10. Amend Note 1 - Lower Profile Plan and Profile.

<p>Underground Service Alert CALL: TOLL FREE 1-800-287-2000 TWO WORKING DAYS BEFORE YOU DIG</p>	<p>SEAL-CITY ENGINEER SEAL-DESIGN ENGINEER SEAL-REGISTERED ENGINEER SEAL-REGISTERED ENGINEER SEAL-REGISTERED ENGINEER SEAL-REGISTERED ENGINEER</p>	<p>CIVIL ENGINEERS Thiess Engineering, Inc. 1456 FINESTONE BOULEVARD RIALTO, CA 92377 (951) 517-4477</p>	<p>WEST VALLEY WATER DISTRICT WATER PLAN B&B PLASTICS, INC. 1892 W. CASMALIA ST. RIALTO, CA. 92377</p>	<p>PRESSURE ZONE: 6 DRAWING NO.: D18107 SHEET 1 OF 2 PLAN NO.</p>
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WATER CONSTRUCTION NOTES

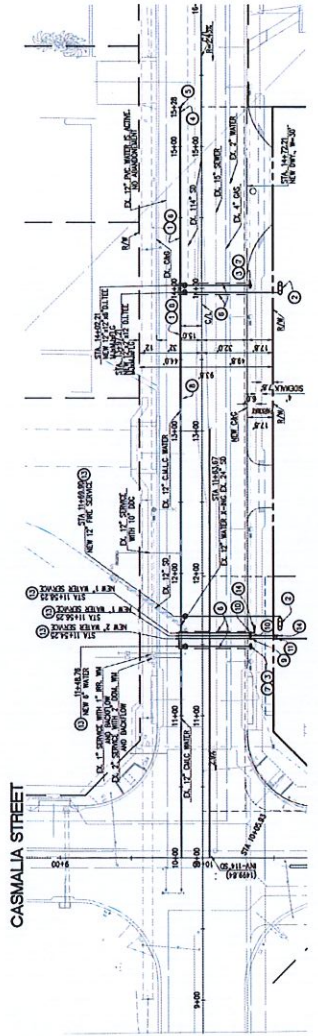
1. INSTALL 12" D.I.P THICKNESS CLASS 50, PER DISTRICT SPECIFICATIONS.
2. FURNISH AND INSTALL 12" FIRE SERVICE LATERAL WITH 10' DOUBLE CHECK DETECTOR CHECK ASSEMBLY PER WMO STD. W-13.
3. FURNISH AND INSTALL FIRE MAINS PER WMO STD. DMC. W-2.
4. FURNISH AND INSTALL 12" BUTTERFLY VALVES WMO. STD. DMC. W-11.
5. FURNISH AND INSTALL 4" DEAD-END FLUSH-OUT PER WMO STD. DMC. W-5.
6. SAW CUT AND REMOVE EXIST AC PAVEMENT RESTORE AC PAVEMENT PER CITY OF RIALTO SPECIFICATIONS AND REQUIREMENTS AND COMPACTION PER CITY OF RIALTO SPECIFICATIONS.
7. FURNISH AND INSTALL CONCRETE THURST BLOCK PER WMO STD. W-3A.
8. REMOVE EXISTING 2" DEAD-END FLUSH-OUT.
9. FURNISH AND INSTALL 2" WATER SERVICE WITH 2" METERS PER WMO STD. W-5 (DOMESTIC).
10. FURNISH AND INSTALL 1" WATER SERVICE WITH 1" METER PER WMO STD. W-4 (COMMERCIAL).
11. FURNISH AND INSTALL 2" REDUCED PRESSURE BACKFLOW PREVENTER PER WMO STD. W-10.
12. FURNISH AND INSTALL 1" REDUCED PRESSURE BACKFLOW PREVENTER PER WMO STD. W-10. PROVIDE SCH. 40 STEEL SELECTION FROM METER BOX TO R.P. RISER.
13. HOT TAP EXISTING WATER PER WMO STD. W-8 AND W-9.
14. FURNISH AND INSTALL 2" REDUCED PRESSURE BACKFLOW PREVENTER PER WMO STD. W-10.
15. ALL D.I.P. SHALL BE INTERNALLY RESTRAINED PER DISTRICT STANDARD W-20. ALL D.I.P. JOINTS SHALL BE MECHANICALLY RESTRAINED UNLESS SPECIFIED.



10+00 11+00 12+00 13+00 14+00 15+00 16+00

PROFILE - 12" D.I.P. IN
N. LOCUST AVENUE

PROPOSED GRADE:
VERT. = 1' - 4"



LOCUST AVENUE

CASMALIA STREET



CONTRACTOR NOTE
CONTRACTOR SHALL VERIFY LOCATION AND DEPTHS OF EXISTING UTILITIES PRIOR TO BEGINNING CONSTRUCTION.

<p>Underground Service Alert CALL: TOLL FREE 1-800-257-2500 TWO WARNING DAYS BEFORE YOU DIG</p>	<p>DECORATED BY: _____ DRAWN BY: _____ CHECKED BY: _____</p>	<p>SEAL - CITY ENGINEER SEAL - DISTRICT ENGINEER RECOMMENDED BY: RECOMMENDED BY: _____ DATE: _____ APPROVED BY: _____ DATE: _____ PLANNING DEPARTMENT APPROVED BY: _____ DATE: _____ CITY ENGINEER</p>	<p>CIVIL ENGINEERS THI <i>Thieng Engineering, Inc.</i> 14360 FINESTONE BOULEVARD MIRAMONTE, CA 91301 TEL: (626) 461-1111 FAX: (626) 461-1121 WWW.THIENGINEERING.COM DATE OF THIS DRAWING: 05/11/2010 DATE OF PREVIOUS EDITION: 05/11/2010 SCALE: 1"=40' SHEET NO. 2 OF 2 SHEETS</p>	<p>WEST VALLEY WATER DISTRICT WATER PLAN 888 PLASTICS, INC. 1897 W CASMALIA ST. RIALTO, CA 92377 FOR: 8 & B PLASTICS, INC. 1897 W CASMALIA ST. RIALTO, CA 92377 PLAN NO. _____</p>
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Exhibit C

Prepare By: Thienes Engineering, Inc.
Project:

Date: 8/28/2018

OFFSITE WATER SYSTEMS

WATER CONST. NOTE	TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System					
	4" PVC C-900	0.00	LF	30.00	0
12	6" Ductile Iron Pipe	98.00	LF	40.00	3,920
	8" PVC C-900	0.00	LF	50.00	0
	10" PVC C-900	0.00	LF	55.00	0
1	12" Ductile Iron Pipe	204.50	LF	100.00	20,450
		0.00	L.F.	---	0
Valves - Water System					
	4" Gate Valve	0.00	EA.	600.00	0
3	6" Gate Valve	2.00	EA.	800.00	1,600
	8" Gate Valve	0.00	EA.	1,000.00	0
	10" Gate Valve	0.00	EA.	1,200.00	0
4	12" Gate Valve	3.00	EA.	2,000.00	6,000
	16" Gate Valve	0.00	EA.	5,000.00	0
	4" Butterfly Valve	0.00	EA.	330.00	0
	6" Butterfly Valve	0.00	EA.	520.00	0
	8" Butterfly Valve	0.00	EA.	800.00	0
	10" Butterfly Valve	0.00	EA.	1,000.00	0
	12" Butterfly Valve		EA.	1,800.00	0
	16" Butterfly Valve	0.00	EA.	2,700.00	0
	18" Butterfly Valve	0.00	EA.	2,800.00	0
	20" Butterfly Valve	0.00	EA.	4,200.00	0
	24" Butterfly Valve	0.00	EA.	5,200.00	0
	1" Air Vac Release	0.00	EA.	2,000.00	0
	2" Air Vac Release	0.00	EA.	3,000.00	0
	4" Blow Off	0.00	EA.	2,000.00	0
	6" Blow Off	0.00	EA.	2,500.00	0
		0.00		---	0
Fire Hydrants - Water System					
	6" Standard Fire Hydrants (Relocate)		EA.	2,800.00	0
	6" Super Fire Hydrants (N/A)	0.00	EA.	2,800.00	0
3	6" Super Fire Hydrants	2.00	EA.	3,000.00	0
Water Meters & Service - Water System					
10	1" Meter & 1" Service	2.00	EA	4729.00	9,458
9	2" Meter & 2" Service	1.00	EA	4729.00	4,729
		0.00	EA	---	0
Hot Tap Connections - Water System					
13	6" Hot Tap	1.00	EA.	2,000.00	2,000
13	Water Service	3.00	EA.	330.00	990
13	12" Hot Tap	1.00	EA.	4,200.00	4,200
	16" Hot Tap	0.00	EA.	0.00	0
Miscellaneous - Water System					
7	Thrust Block	4.00	EA.	150.00	600
2	10" DDC	2.00	EA.	7,000.00	14,000
14	1" Backflow	2.00	EA.	1,000.00	2,000
11	2" Backflow	1.00	EA.	1,500.00	1,500
6	Remove and Restore Ac Pavement	2350.00	SF	3.00	7,050
8	Remove 4" Dead End Flush Out	1	1.00 EA.	1,000.00	1,000
	12"X12"X12" Tee	1	0.00 EA.	500.00	500
	12"X12"X6" Tee	1	0.00 EA.	400.00	400
				SUBTOTAL:	80,397

Exhibit D

BOARD OF DIRECTORS

Dr. Clifford O. Young, Sr.
President, Board of Directors
 Gregory Young
Vice President, Board of Directors
 Dr. Michael Taylor
Director
 Kyle Crowther
Director
 Donald Olinger
Director



ESTABLISHED AS A PUBLIC AGENCY IN 1952
 WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
 SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
 AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
 WATER-USE EFFICIENCY AND CONSERVATION.

ADMINISTRATIVE

Robert Christman
Interim General Manager
 Greg Gage
Assistant General Manager
 Deborah L. Martinez
*Interim Human Resources
 and Risk Manager*
 Crystal L. Escalera
Interim Board Secretary
 Patricia Romero
Assistant Board Secretary

2018 HOLIDAY LIST

MONDAY, JANUARY 1	NEW YEAR'S DAY
TUESDAY, JANUARY 2	NEW YEAR'S EVE (OBSERVED)
MONDAY, JANUARY 15	MARTIN LUTHER KING, JR.
MONDAY, FEBRUARY 19	PRESIDENT'S DAY
MONDAY, MAY 28	MEMORIAL DAY
WEDNESDAY, JULY 4	INDEPENDENCE DAY
MONDAY, SEPTEMBER 3	LABOR DAY
MONDAY, NOVEMBER 12	VETERANS DAY (OBSERVED)
THURSDAY, NOVEMBER 22	THANKSGIVING DAY
FRIDAY, NOVEMBER 23	DAY AFTER THANKSGIVING
MONDAY, DECEMBER 24	CHRISTMAS EVE
TUESDAY, DECEMBER 25	CHRISTMAS DAY
MONDAY, DECEMBER 31	NEW YEAR'S EVE

2019 HOLIDAY LIST

TUESDAY, JANUARY 1	NEW YEAR'S DAY
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Exhibit E

WEST VALLEY WATER DISTRICT

PROCEDURAL DOCUMENTS

NOTICE TO PROCEED

TO: B&B Plastics Recyclers, Inc
3040 N. Locust Ave
Rialto, CA 92377

Project Description: B&B Plastics

You are hereby notified to commence work in accordance with the Agreement dated _____, 2018, on or before _____, 20 18, and you are to complete the Work within one year from the estimated construction start date.

You are required to return an acknowledged copy of this Notice to Proceed to the Owner.

Dated this ___ day of _____, 2018.

WEST VALLEY WATER DISTRICT

By _____
Clarence C. Mansell, Jr.

Title Interim General Manager

ACCEPTANCE OF NOTICE

Receipt of the above Notice to Proceed is hereby acknowledged by _____
_____.

THIS THE ___ DAY OF _____, 2018.

B&B Plastics Recyclers, Inc

By _____

Title _____

EXHIBIT C

**WATER SYSTEM INFRASTRUCTURE
INSTALLATION AND CONVEYANCE AGREEMENT**

This water system infrastructure installation and conveyance agreement ("Agreement") is entered into and effective as of 12/20/18 by and between **Casmalia Holdings LLC a California Limited Liability Company** ("Developer"), and WEST VALLEY WATER DISTRICT ("District") who agree as follows:

The Developer is the owner of certain land described as **Casmalia Holdings LLC a California Limited Liability Company** and as more fully (or further) shown on Exhibit "A". In developing this land, the Developer is desirous of obtaining a public water supply adequate for domestic uses and public fire protection purposes and is desirous of integrating that water system into the District's public water system.

In order to provide facilities for a water supply to said land, it is the intention of the parties to this Agreement that the Developer shall furnish and install those water mains, fire hydrants, service laterals, water meters and valves, valve boxes, and all other appurtenant fittings and facilities required for a complete water system to serve the land shown on Exhibit "A".

In order to implement the foregoing and in consideration of the terms and conditions herein contained, the parties further agree as follows:

1. DESIGN

1.1. Developer shall design and construct, at the Developer's own expense, the water facilities and appurtenances required to serve the development in accordance with final District-approved plans known as **WATER IMPROVEMENT PLANS FOR Casmalia Holdings LLC a California Limited Liability Company**, as approved and attached herein as Exhibit "B" and in accordance with District-approved design standards and specifications, and the terms and conditions of this Agreement.

1.2. The water system design shall be by a Professional Engineer registered in the State of California, and in accordance with the District's most recent Rules and Regulations (the "Rules and Regulations"), the District's Standards for Domestic Water Facilities and Standard Drawings herein included by reference, all applicable District ordinances and policies and all City, County of San Bernardino, State of California, and Federal laws, ordinances, rules, regulations, codes and other legal requirements of all government bodies having jurisdiction over said construction and property (all of the foregoing requirements in this paragraph being collectively referred to herein at times as "Legal Requirements").

1.3. The District, at Developer's expense, shall review Developer's plans for the purpose of ensuring the adequacy of the design and conformance with the District's standards and specifications. The District reserves the right to add, delete, modify, change or amend any or all the plans and specifications.

1.4. In the event that the property to be developed includes multiple residential, condominiums, commercial or industrial uses, all site plans, grading plans, and any available plumbing plot plans shall be furnished to the District by Developer.

1.5. The District makes no warranties as to the correctness, accuracy or completeness of the plans and specifications. The accuracy, adequacy, suitability, and correctness of the water system design shall be the sole responsibility of the Developer.

2. CONSTRUCTION

2.1. Developer shall perform, or caused to be performed, all construction of the water system infrastructure installation pursuant to the approved water system plans, and all Legal Requirements.

2.2 The performance of this Agreement shall commence within ninety (90) calendar days from the date of this Agreement and shall be completed within one (1) year from the estimated construction start date.

2.3. Time is of the essence in this Agreement; provided that, in the event good cause is shown therefore, the general manager of the District ("General Manager") may extend the time for completion of the water system installation. Any such extension may be granted without the notice to Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure faithful performance of this Agreement. The General Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

2.4. The Developer and its contractor and subcontractors shall attend a preconstruction meeting with the District at the District's headquarters no less than five (5) working days prior to commencement of construction.

2.5. No work on water facilities shall commence prior to the completion of all required curbs and gutters.

3. LICENSES AND PERMITS

3.1. Developer, and all of Developer's contractors and subcontractors warrants it possesses, or shall obtain, and maintain during the term of this Agreement any and all licenses, permits, qualifications, insurance and approval of whatever nature that are legally required of Developer, its contractors, and all subcontractors to practice its profession, skill or business.

3.2. The work to be performed under this Agreement, except meter installations, shall be performed by Developer, or a contractor or subcontractor who is pre-approved by the District and is licensed under the laws of the State of California in the specialty Class of "C-34" Pipeline or Class "A" General Engineering. A copy of the contract between Developer and the selected pre-approved contractor and all subcontractors shall be submitted to the District for review and approval.

3.3. Excavation/resurfacing permits shall be secured by Developer at Developer's expense. Permits/easements to install, maintain and operate water system facilities in private property shall be secured by Developer at Developer's own expense prior to construction.

3.4. Developer shall, at Developer's own expense, be responsible for obtaining and adhering to a National Pollution Discharge Elimination System (NPDES) permit from the Regional Water Quality Board as required for construction or pipeline flushing and disinfection.

4. INSURANCE REQUIREMENTS

4.1. The following insurance requirements have been adopted by the District and shall be applicable to this Agreement. These requirements supersede the insurance requirements set forth in any other reference of the District, and to the extent of any conflict, the specified requirements herein shall prevail.

4.2. Developer shall ensure that Developer's contractors conform to the following insurance requirements and that all required documents are submitted to the District at the time of Agreement submittal: Developer shall ensure that its contractors and all subcontractors shall purchase and maintain insurance in amounts equal to the requirements set forth in (a) through (d) below, and shall not commence work under this Agreement until all insurance required under this heading is obtained in a form acceptable to the District, nor shall Developer allow any contractor or subcontractor to commence construction pursuant to a contract or subcontract until all insurance required of the contractor and any subcontractors has been obtained.

a. General Liability: Developer shall ensure that its contractor and all subcontractors shall maintain during the life of this Agreement, a standard form of either Comprehensive General Liability insurance or Commercial General Liability insurance ("General Liability Insurance") providing the following minimum limits of liability: Combined single limit of \$1.0 million per occurrence for bodily injury, including death, personal injury, and property damage with \$2.0 million minimum aggregate, separate for this project as evidenced by endorsement. The insurance shall include coverage for each of the following hazards: Premises-Operations; Owners and Contractors Protective; Broad Form Property Damage contractual for Specific Contract; Severability of Interest or Cross-Liability; XCU Hazards; and Personal Injury – With the "Employee" Exclusive Deleted.

b. Automotive/Vehicle Liability Insurance: Developer shall ensure that its contractor and all subcontractors shall maintain a policy of automotive/vehicle liability insurance on a commercial auto liability form covering owned, non-owned and hired automobiles providing the following minimum limits of liability: Combined single limit of liability of \$1.0 million per accident for Bodily Injury, Death and Property Damage ("Automotive/Vehicle Liability Insurance").

c. Workers' Compensation Insurance: Developer shall ensure that its contractor and all subcontractors shall provide such workers' compensation insurance with statutory minimum amounts of coverage, as required by the California *Labor Code* and other applicable law, and including employer's liability insurance with a minimum limit of \$1,000,000.00 ("Workers' Compensation Insurance"). Such Workers' Compensation Insurance shall be endorsed to provide for a waiver of subrogation against the District.

d. Excess Liability: Developer shall ensure that its contractor and all subcontractors shall provide a policy providing excess coverage in a face amount necessary when

combined with the primary insurance, to equal the minimum requirements for General Liability Insurance and Automotive/Vehicle Liability Insurance.

4.3. The insurances provided for in Section 4.2 and its subsections above are subject to all of the following conditions:

a. The insurance shall be issued and underwritten by insurance companies acceptable to the District, and shall be licensed by the State of California to do business on the lines of insurance specified. The insurers must also have an "A-" Policyholder's rating" and a "financial rating" of at least Class VII in accordance with the most current A.M. Best's Rating Guide.

b. Developer's contractor and subcontractors may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

c. Any costs associated with a self-insured program, deductibles, or premium rating programs that determine premium based on loss experience shall be for the account of Developer, Developer's contractor and subcontractors, and the District shall not be required to participate in any such loss. If any such programs exist, Developer, Developer's contractor and subcontractors, agree to protect and defend the District in the same manner as if such cost provisions were not applicable.

d. Developer shall ensure that its contractor and all subcontractors shall have presented at the time of execution of the Agreement, the original policies of insurance and a certificate of insurance naming the District as the certificate holder and that such coverage is in force and complies with the terms and conditions outlined herein.

e. If an insurance policy contains a general policy aggregate of less than the minimum limits specified, then the policy coverage shall be written with limits applicable solely to this Agreement, as specified, and shall not be reduced by or impaired by any other claims arising against Developer. These policy limits shall be set forth by separate endorsement to the policy.

4.4. Each such policy of General Liability Insurance and Automotive/Vehicle Liability Insurance shall contain endorsements providing the following:

a. The District, their board members, officers, agents, employees, consultants, and engineers, are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of the Developer at or upon any of the premises of the District in connection with the Agreement with the District, or acts or omissions of the additional insureds in connection with, but limited to its general supervision or inspection of said operations and save for any claims arising from the sole negligence or sole willful misconduct the District.

b. No policy shall be canceled, limited, materially altered, or non-renewed by the insurer until thirty (30) days after receipt by the District of a written notice of such cancellation or reduction in coverage.

c. This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon to cover a loss under this policy.

5. BONDING REQUIREMENTS

5.1. Developer shall generate an engineer's cost estimate based on the water system plans provided to the District. The estimated costs, attached herein as Exhibit "C", will be submitted to the District for review and approval, and shall be used as the basis for bonding requirements for the water system described in the plans provided to the District by the Developer and approved for construction by the District. The sole intent and purpose of the engineer's estimate is to establish a cost valuation for bonding purposes only.

5.2. Performance Bond: Developer engineer's estimate for the water system improvements for **WATER IMPROVEMENT PLANS FOR Casmalia Holdings LLC a California Limited Liability Company** is **NINETY-THREE THOUSAND NINE HUNDRED SEVENTEEN no/100 DOLLARS (\$93,917.00)**. Developer shall and by this Agreement does guarantee the Developer's faithful performance of this Agreement and all of its terms and conditions by providing the following: Developer shall provide the District with either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a performance bond, from a surety institution licensed by the State of California and authorized to do and doing business in said State, valid and renewable until such improvements are accepted by the District. The irrevocable letter of credit or performance bond shall be in the amount **NINETY-THREE THOUSAND NINE HUNDRED SEVENTEEN no/100 DOLLARS (\$93,917.00)**, equal to 100 percent of the approved Developer's estimate.

5.3. Warranty Bond: Developer shall, in addition, and by this Agreement does guarantee to the District that, for two years after the District's acceptance of Developer-installed and completed water facilities and appurtenances, such facilities and appurtenances shall be free from any and all liens and encumbrances and free from any and all defects in the materials or construction thereof. The two-year guarantee shall be either an irrevocable letter of credit from a recognized financial institution acceptable to the District or a warranty bond in the amount of **NINETY-THREE THOUSAND NINE HUNDRED SEVENTEEN no/100 DOLLARS (\$93,917.00)**, equal to 100 percent of the Developer's estimate beginning at the date of the acceptance of the water facilities by the District.

6. MATERIALS

6.1. The water system facilities to be installed pursuant to this Agreement shall become an extension of the distribution system of the District. All materials used must conform to District specifications for such materials pursuant to all applicable Legal Requirements.

7. NOTICES

7.1. All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

- 7.2. Notices required shall be given to the **District** addressed as follows:

WEST VALLEY WATER DISTRICT

Attn: General Manager

Post Office Box 920

Rialto, CA 92377

RE: Water Improvement Plans for B&B Plastics

- 7.3. Notices required shall be given to **Developer** addressed as follows:

Casmalia Holdings LLC

c/o **B&B Plastics Recyclers, Inc**

Baltazar Mejia, President

3040 N. Locust Ave

Rialto, CA 92377

RE: Water Improvement Plans for B&B Plastics

- 7.4. Notices required shall be given to **Surety** addressed as follows:

SURETY NAME: *Indemnity Company of California*

ATTN TO: *Andrew J. Shaker*

ADDRESS *2001 E. Financial Way, st. 200 El Segundo, CA 91741*

RE: Water Improvement Plans for B&B Plastics

7.5. Provided that any party or Surety may change such address by notice in writing to the other party, and thereafter, notices shall be addressed and transmitted to the new address.

7.6. The Developer or its contractor shall provide the District forty-eight (48) hours advance notice of request for inspection or testing.

- 7.7. The District is closed on the holidays listed in Exhibit "D".

8. NOTICE TO PROCEED TO CONSTRUCT WATER SYSTEM FACILITIES

8.1. Upon acceptance of the insurance and aforementioned bonds and/or irrevocable letters of credit in the amounts provided herein and approval by the District and upon payment of all applicable charges, the Agreement shall be signed by Developer and the District. The District shall return an original copy of the signed Agreement with a letter to Developer giving notice to proceed to construct the water system facilities using the form contained in Exhibit "E".

9. INSPECTION

9.1. It is understood that the sole purpose and intent of the District's inspection and testing is to validate that the materials, workmanship, and construction of the water facilities are in compliance with the District-approved final plans, the District's Rules and Regulations, the Standards for Domestic Water Facilities, the Standard Drawings, and all other applicable District requirements. Developer acknowledges and represents that it assumes full and sole responsibility for the safety and management of the project.

9.2. Developer shall at all times maintain proper facilities and provide safe access for inspection by the District to all parts of the work and to the shops wherein the work is in preparation. Additionally, in connection with the performance of this Agreement, the District shall have the authority to enter the work site at any time for the purpose of identifying the existence of conditions, either actual or threatened, that may present a danger of hazard to any and all employees. Developer agrees that the District, in its sole authority and discretion, may order the immediate abatement of any and all conditions that may present an actual or threatened danger or hazard to any and all employees at the work site. Furthermore, Developer acknowledges the provisions of California *Labor Code* Section 6400 et seq., which requires that employers shall furnish employment and a place of employment that is safe and healthful for all employees working therein. In the event the District identifies the existence of any condition that presents an actual or threatened danger or hazard to any or all employees at the work site, the District is hereby authorized to order an immediate abatement of that condition.

9.3. All work and materials shall be subject to inspection, testing, and acceptance by the District at Developer's expense. In the event Developer arranges to have materials fabricated for the project, Developer may be required to arrange for the District to inspect that material during fabrication at Developer's expense.

9.4. All material fabrications shall be preapproved by the District and must conform to District standards and specifications.

9.5. The District's inspectors shall have full, unlimited access to perform continuous inspection and have the authority to stop work at any time, by written notice, without any liability whatsoever to the District, if, in the inspectors' judgment, the work called for by this Agreement, or the District approved plans, or the specifications is not being installed or performed in a satisfactory and workmanlike manner according to District's standards and specifications and/or in the event the materials do not comply with the District's standards and specifications.

9.6. Final acceptance of all material to be purchased or fabricated by Developer under this Agreement shall be made only with the prior approval of the District. Approval by the District, however, shall not operate to relieve the material supplier or Developer of any guarantees, warranties, or the duty of compliance with any of the requirements of the approved plans and specifications or of this Agreement. All construction pursuant to this Agreement shall be inspected pursuant for conformity with District requirements. Developer shall pay actual costs for inspections.

10. TESTING AND DISINFECTION

10.1. All water system facilities and components constructed pursuant to this Agreement shall adhere to all requirements for testing, disinfection, and flushing pursuant to District standards and Legal Requirements.

11. RELOCATIONS, RECONSTRUCTIONS, AND DAMAGES

11.1. Developer accepts the responsibility for and the costs occasioned by any reconstruction, relocation, damages to, or changes of water services or facilities caused or

contributed to directly or indirectly by any subsequent changes in the location of any of said facilities or water meters or water services.

12. AS-CONSTRUCTED DOCUMENTATION

12.1. In order for the District to accept the facilities, Developer shall provide all required documentation as specified in the Standards for Domestic Water Facilities, including As-Built drawings.

13. INDEMNIFICATION

13.1. Developer hereby agrees to and shall protect, defend, indemnify and hold the District and its board members, officers, agents, employees, and engineers free and harmless from any and all liability losses, damages, claims, liens, demands and cause of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interests, court costs, attorney's/legal fees, and all other expenses incurred by the District arising in favor of any party, including claims, liens, debts, demands for lost wages or compensation, personal injuries, including employees or the District, death or damages to property (including property of the District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Developer save and except claims or litigation arising through the sole negligence or sole willful misconduct of the District or the District's agents and employees. Developer shall investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at the sole expense of Developer even if the claim or claims alleged are groundless, false or fraudulent. Developer agrees to, and shall defend the District and its members, directors, officers, agents, employees, and engineers from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations, provided as follows:

a. That the District does not and shall not waive any rights against Developer which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by the District, or the deposit with District by Developer, or any of the insurance policies described in this Agreement.

b. That the aforesaid hold harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any or the aforesaid operations referred to in this subsection, regardless of whether or not District has prepared, supplied water system installation, or regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

This provision is not intended to create any cause of action in favor of any third party against Developer or the District or to enlarge in any way Developer's liability but is intended solely to provide for indemnification of the District from liability for damage or injuries to third persons or property arising from Developer's performance hereunder.

13.2. Neither Developer nor any of Developer's agents, contractors or subcontractors are, or shall be, considered to be agents of the District in connection with the performance of Developer's obligations under this Agreement.

14. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

14.1. If, within a period of two years after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developer shall, without delay and without any cost to District, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work structure. Should Developer fail to act promptly or in accordance with this requirement, or should the exigencies of the situation as determined by the District in the exercise of its sole discretion require repair, replacement or reconstruction before Developer can be notified, District may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to the District the actual cost of such repairs.

15. COSTS AND FEES

15.1. Developer shall pay actual costs for inspection and plan check. All costs and fees required, as outlined in the cost letter, shall be paid in full prior to the execution of this Agreement.

15.2. Any additional costs and fees shall be paid in full prior to conveyance and acceptance of the water system.

16. CONVEYANCE AND ACCEPTANCE OF WATER SYSTEM

16.1. Upon completion of the water system in accordance with the approved water plans and submission of the required documentation, the Developer shall convey the water system to the District.

16.2. The Developer shall furnish an irrevocable letter of credit to the District or a warranty bond (One Hundred (100%) of Developer's estimate) for a period of two years as stated in Sections 5.3 of this Agreement, as-built drawings with contractor redlines and AutoCAD files, materials list with quantities, labor, equipment, and materials, water system cost breakouts, compaction test report signed and sealed by a California Registered Engineer, notice of completion filed with San Bernardino County Recorder, fire flow tests of all hydrants, all required easements for water facilities and unconditional financial release from subcontractors and material providers, Upon compliance with all the terms and conditions of this Agreement, the District shall prepare the conveyance agreement accepting the water facilities and forward same to the address provided herein. Title to the ownership of said facilities and appurtenances shall thereby be conveyed to the District. The District shall thereafter operate and maintain said facilities so as to furnish water service to the development (Exhibit "A") in accordance with the District's ordinances, policies and Rules and Regulations.

17. PERMANENT WATER SERVICE

17.1. In no event shall permanent water services be provided to Developer's installed system until all applicable charges and fees have been paid by Developer and all facilities have been conveyed, free of all encumbrances, to the District, including any easements which may be required. Such conveyance shall occur in a timely manner in accordance with the terms of this Agreement.

18. BREACH OR DEFAULT OF AGREEMENT

18.1. If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extension thereof, or fails to obtain completion of said work within such time, or if Developer should be adjudged as bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer, or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this Agreement, the District's General Manager or the General Manager's designee may serve written notice upon Developer and Developer's surety of breach of this Agreement, or of any portion thereof, and default of Developer.

18.2. In the event of any such notice, Developer's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety, within five (5) days after the serving upon of such notice of breach, does not give the District written notice of its intention to take over the performance of the contract, and does not commence performance thereof within five (5) days after notice to the District of such election, District may take over the work and prosecute the same to completion, by contract or by any other method District may deem advisable, for the account and at the expense of Developer, and Developer's surety shall be liable to the District for any excess cost or damages occasioned District thereby; and, in such event, District, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developer as may be on the site of the work and necessary therefore.

19. SUCCESSORS BOUND

19.1. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective legal representatives, successors, heirs, and assigns.

[CONTINUED ON NEXT PAGE]

20. ENFORCEMENT OF PROVISIONS

20.1. The District's failure to enforce any provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall nevertheless be and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto execute this Agreement.

WEST VALLEY WATER DISTRICT

By: _____ Date: _____
Clarence C. Mansell, Jr., Interim General Manager

DEVELOPER:

Casmalia Holdings LLC a California Limited Liability Company
By: **B&B Plastics Recyclers, Inc., Managing Member**


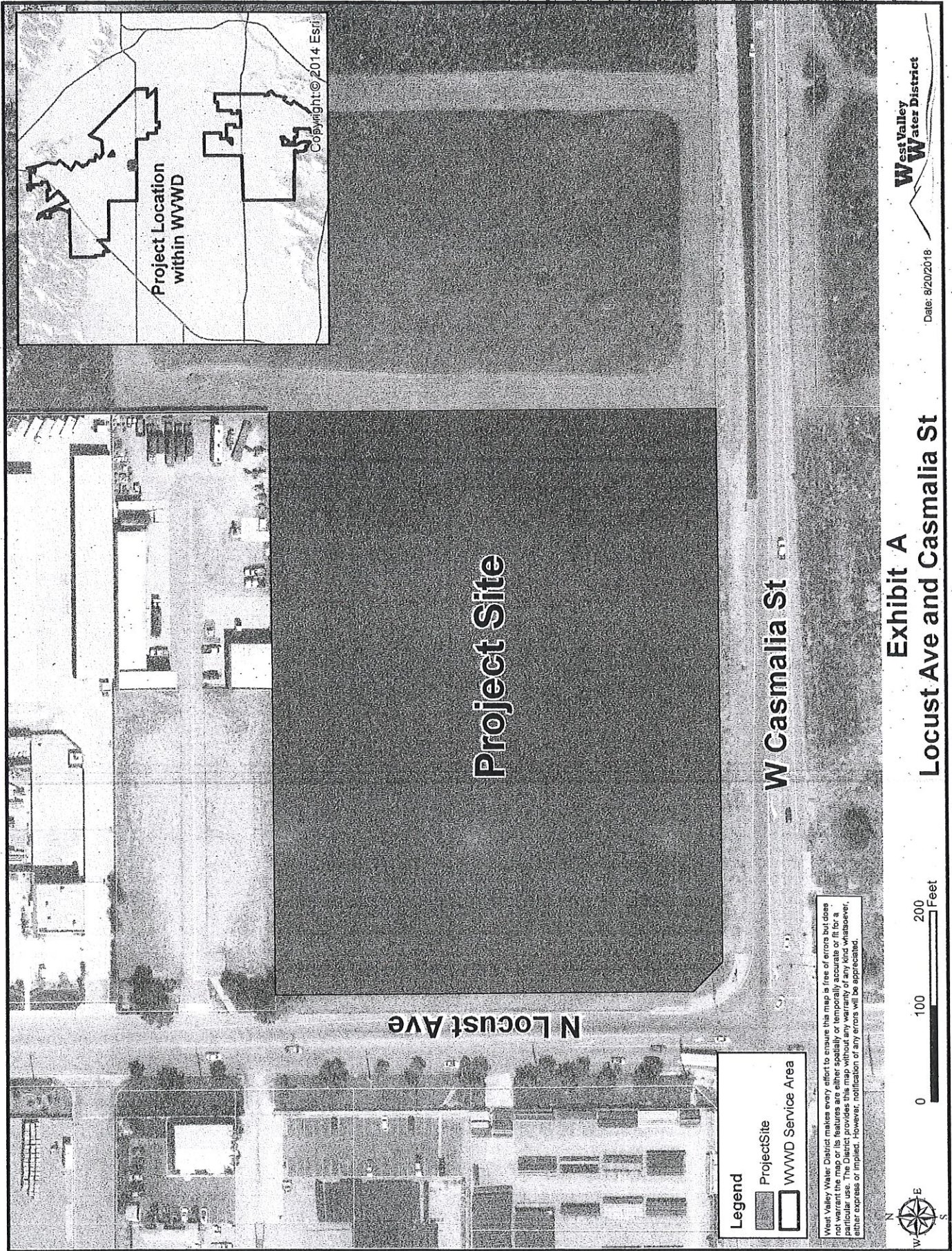
By:  _____ Date: 12/20/2018
Baltazar Mejia, President

Exhibit A



Copyright © 2014 Esri

Project Location within WVWD

Project Site

W Casmalia St

N Locust Ave

Exhibit A

Locust Ave and Casmalia St

- Legend**
- Project Site
 - WWD Service Area

West Valley Water District makes every effort to ensure this map is free of errors but does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use. The District provides this map without any warranty of any kind whatsoever, either express or implied. However, notification of any errors will be appreciated.



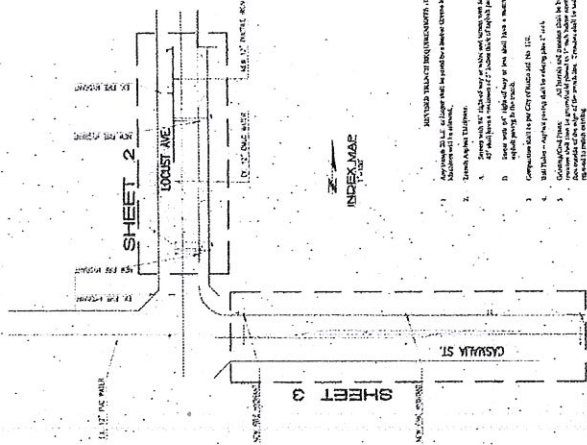
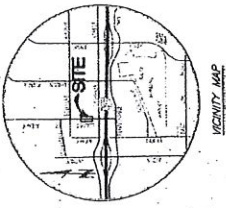
Date: 8/20/2018

West Valley Water District

Exhibit B

WATER PLAN

B&B PLASTICS, INC. 1892 W. CASMALIA ST. RIALTO, CA. 92377



MARKINGS

1. Pipe to be installed shall be Class 500 Ductile Iron pipe - 48" dia. per CIP 509 or Class 150 18" dia. per CIP 153, or Class 150 12" dia. per CIP 153, or Class 150 10" dia. per CIP 153, or Class 150 8" dia. per CIP 153, or Class 150 6" dia. per CIP 153, or Class 150 4" dia. per CIP 153, or Class 150 3" dia. per CIP 153, or Class 150 2" dia. per CIP 153, or Class 150 1 1/2" dia. per CIP 153, or Class 150 1" dia. per CIP 153, or Class 150 3/4" dia. per CIP 153, or Class 150 1/2" dia. per CIP 153, or Class 150 1/4" dia. per CIP 153.
2. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
3. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
4. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
5. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
6. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
7. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
8. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
9. All water service shall be installed in accordance with the City of Rialto Water Department specifications.
10. All water service shall be installed in accordance with the City of Rialto Water Department specifications.

DESIGN

THIS PLAN AND SPECIFICATIONS HAVE BEEN PREPARED BY THE ENGINEER AND CONTRACTOR AND ARE SUBJECT TO THE APPROVAL OF THE CITY OF RIALTO WATER DEPARTMENT. THE ENGINEER AND CONTRACTOR SHALL BE RESPONSIBLE FOR THE DESIGN AND CONSTRUCTION OF THE WATER MAINS AND VALVES SHOWN ON THIS PLAN. THE CITY OF RIALTO WATER DEPARTMENT SHALL BE RESPONSIBLE FOR THE INSTALLATION AND MAINTENANCE OF THE WATER MAINS AND VALVES SHOWN ON THIS PLAN.

WATER

ALL WATER MAINS SHALL BE INSTALLED IN ACCORDANCE WITH THE CITY OF RIALTO WATER DEPARTMENT SPECIFICATIONS. THE WATER MAINS SHALL BE INSTALLED AT A DEPTH OF 48" BELOW FINISHED GRADE. THE WATER MAINS SHALL BE INSTALLED IN ACCORDANCE WITH THE CITY OF RIALTO WATER DEPARTMENT SPECIFICATIONS.

[Signature]
DATE: 10/23/12

[Signature]

[Signature]

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WATER CONSTRUCTION NOTES

1. METAL 1" DIA. THICKNESS CLASS 500 DUCTILE IRON PIPE PER DISTRICT SPECIFICATIONS.
2. DETECTOR CHECK ASSEMBLY PER DISTRICT SPECIFICATIONS.
3. FURNISH AND INSTALL 1" PIPE SERVICE LATERAL WITH 1" NOBLE COUPLER.
4. FURNISH AND INSTALL 1" WATER SERVICE WITH 1" METAL PER WWD STD. W-3.
5. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
6. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
7. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
8. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
9. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
10. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
11. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
12. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
13. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
14. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
15. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
16. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
17. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
18. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
19. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.
20. FURNISH AND INSTALL 4" DUCTILE IRON FLUSH-OUT PER WWD STD. W-3.

QUANTITIES

- 204.5 LF
- 140 U7/EA
- 5 EA
- 2 EA
- 0 EA
- 2000 SF
- 10 EA
- 1 EA
- 65 U7/EA
- 124 U7/EA
- 1 EA
- 2 EA
- 3 EA
- 2 EA
- 2 EA
- 2 EA
- 2 EA

ON-SITE FIRE HYDRANT NOTES

ON-SITE FIRE HYDRANT SHALL BE INSTALLED PER THE APPROVED DETAIL PLANS FROM THE PERMIT OFFICE.

SHEET INDEX

- 1 - COVER SHEET
- 2 - WATER MAINS
- 3 - VALVES
- 4 - FLUSH-OUTS
- 5 - HYDRANTS
- 6 - THIS SHEET

ENGINEER: *[Signature]*
DATE: 10/23/12

PROJECT: WEST VALLEY WATER DISTRICT
DRAWING NO.: D18017

SCALE: 1" = 40'

APPROVED BY: *[Signature]*

DATE: 10/23/12

[Signature]

WEST VALLEY WATER DISTRICT
SHEET 1 OF 3 SHEETS

B&B PLASTICS, INC.
1892 W. CASMALIA ST.
RIALTO, CA. 92377

THIENES ENGINEERING, INC.
CIVIL ENGINEERS

THIENES ENGINEERING, INC.
CIVIL ENGINEERS

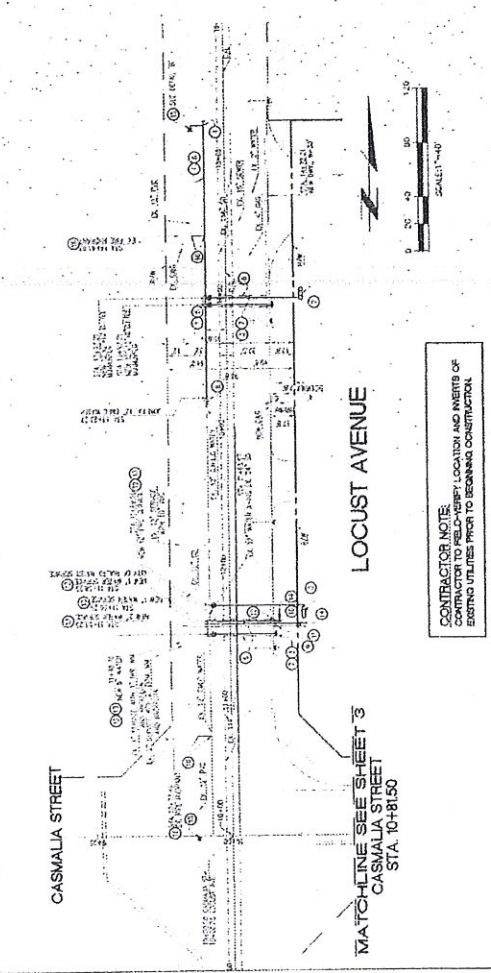
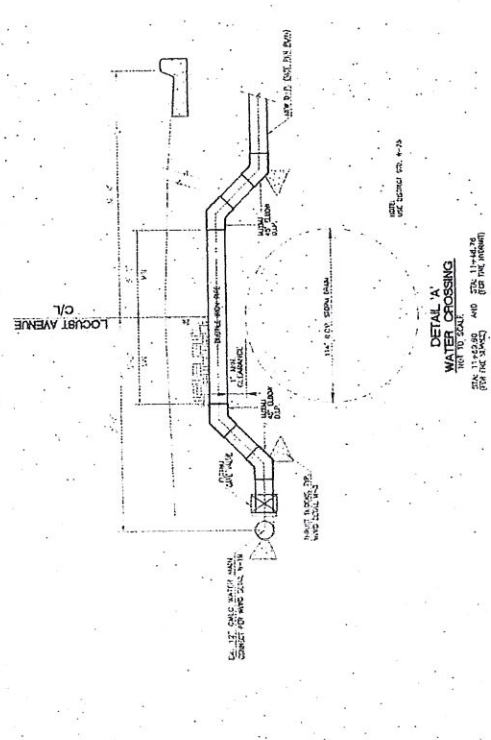
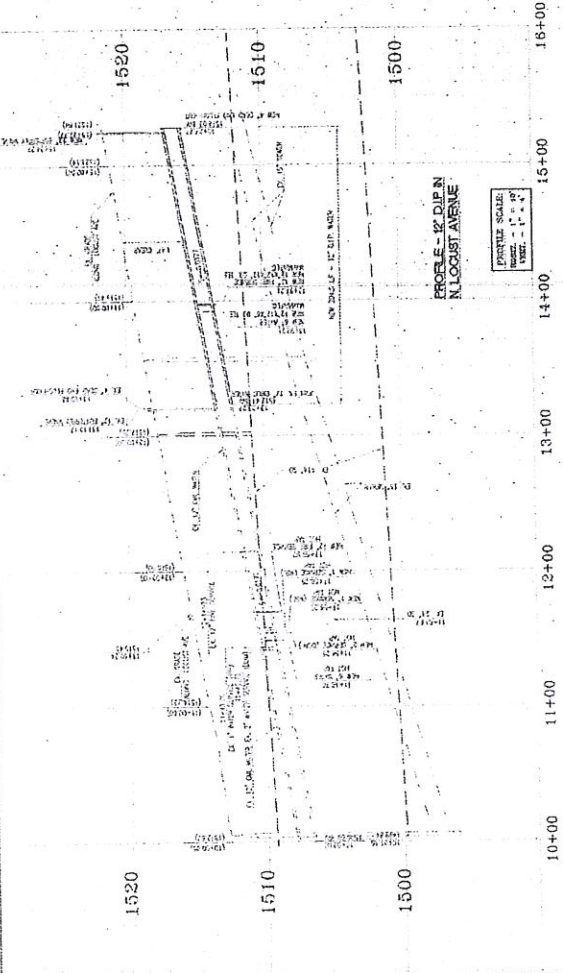
THIENES ENGINEERING, INC.
CIVIL ENGINEERS

THIENES ENGINEERING, INC.
CIVIL ENGINEERS

THIENES ENGINEERING, INC.
CIVIL ENGINEERS

WATER CONSTRUCTION NOTES

1. DETAIL "A" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
2. DETAIL "B" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
3. DETAIL "C" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
4. DETAIL "D" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
5. DETAIL "E" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
6. DETAIL "F" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
7. DETAIL "G" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
8. DETAIL "H" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
9. DETAIL "I" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
10. DETAIL "J" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
11. DETAIL "K" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
12. DETAIL "L" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
13. DETAIL "M" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
14. DETAIL "N" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
15. DETAIL "O" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
16. DETAIL "P" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
17. DETAIL "Q" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
18. DETAIL "R" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
19. DETAIL "S" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
20. DETAIL "T" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
21. DETAIL "U" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
22. DETAIL "V" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
23. DETAIL "W" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
24. DETAIL "X" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
25. DETAIL "Y" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.
26. DETAIL "Z" IS TO BE USED FOR ALL WATER CONSTRUCTION UNLESS OTHERWISE SPECIFIED.



CONTRACTOR NOTE:
CONTRACTOR TO FIELD-CHECK LOCATION AND INVERTS OF EXISTING UTILITIES PRIOR TO BEGINNING CONSTRUCTION.

WEST VALLEY WATER DISTRICT

WATER PLAN

8888 PLASTICS, INC.
1800 CALIFORNIA ST.
SAN JOSE, CA 95131

8 8 8 PLASTICS, INC.
1800 CALIFORNIA ST.
SAN JOSE, CA 95131

Thames Engineering, Inc.
CIVIL ENGINEERS

DATE: 11-14-07

SCALE: 1" = 40'

PROJECT NO. 10-8150

SHEET 2 OF 3

UNDERGROUND SERVICES SHOWN

DATE: 11-14-07

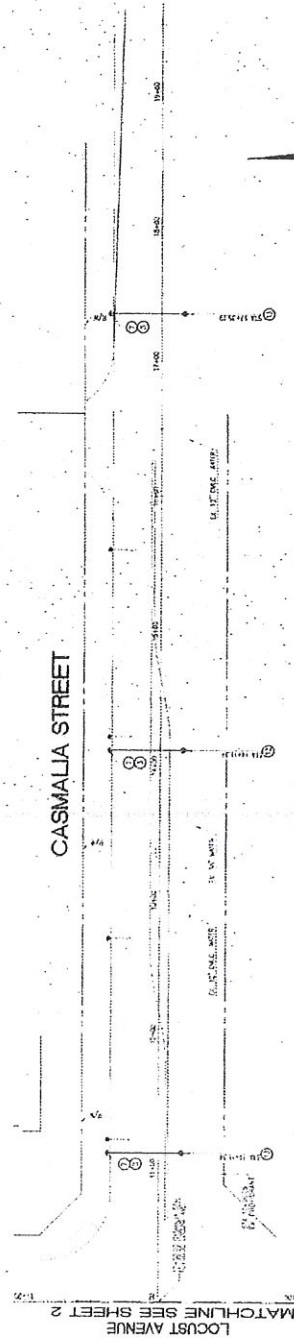
PROJECT NO. 10-8150

SCALE: 1" = 40'

PROJECT NO. 10-8150

WATER CONSTRUCTION NOTES:

- ① FURNISH AND INSTALL FIRE HYDRANTS PER WWD STD. INC. W-2.
- ② FURNISH AND INSTALL CONCRETE TIE-BLOCK PER WWD STD. INC. W-3A.
- ③ HOT TAP EXISTING WATER FOR WWD STD. W-16 OR W-18.



CONTRACTOR NOTE
 VERIFY LOCATION AND DEPTH OF EXISTING UTILITIES PRIOR TO BEGINNING CONSTRUCTION.



MATCHLINE SEE SHEET 2

<p>UNIVERSITY OF CALIFORNIA CIVIL ENGINEERS</p>	<p>Thores Engineering, Inc. 12545 PLYMOUTH BOULEVARD PLYMOUTH, CALIFORNIA 91367 (626) 397-1111</p>	<p>WEST VALLEY WATER DISTRICT WATER PLAN 3 1897 W. CASMALIA ST. RIALTO, CA. 91377</p>	<p>DATE: 11-14-07 SCALE: 1"=40' SHEET: 3 OF 3 DRAWN BY: J. HARRIS CHECKED BY: J. HARRIS</p>	<p>PROJECT NO.: 07-001 SHEET NO.: 3 OF 3</p>
		<p>APPROVED BY: [Signature]</p>		

Exhibit C

Prepare By: Thienes Engineering, Inc.
Project:

Date: 9/28/2018

OFFSITE WATER SYSTEMS

WATER CONST. NOTE	TYPE	QUANTITY UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
	4" PVC C-900	0.00 LF	30.00	0
12	6" Ductile Iron Pipe	98.00 LF	40.00	3,920
	8" PVC C-900	0.00 LF	50.00	0
	10" PVC C-900	0.00 LF	55.00	0
1	12" Ductile Iron Pipe	234.00 LF	100.00	23,400
		0.00 L.F.	—	0
Valves - Water System				
	4" Gate Valve	0.00 EA.	600.00	0
3	6" Gate Valve	2.00 EA.	800.00	1,600
	8" Gate Valve	0.00 EA.	1,000.00	0
	10" Gate Valve	0.00 EA.	1,200.00	0
4	12" Gate Valve	4.00 EA.	2,000.00	8,000
	16" Gate Valve	0.00 EA.	5,000.00	0
	4" Butterfly Valve	0.00 EA.	330.00	0
	6" Butterfly Valve	0.00 EA.	520.00	0
	8" Butterfly Valve	0.00 EA.	800.00	0
	10" Butterfly Valve	0.00 EA.	1,000.00	0
	12" Butterfly Valve	EA.	1,800.00	0
	16" Butterfly Valve	0.00 EA.	2,700.00	0
	18" Butterfly Valve	0.00 EA.	2,800.00	0
	20" Butterfly Valve	0.00 EA.	4,200.00	0
	24" Butterfly Valve	0.00 EA.	5,200.00	0
	1" Air Vac Release	0.00 EA.	2,000.00	0
	2" Air Vac Release	0.00 EA.	3,000.00	0
	4" Blow Off	0.00 EA.	2,000.00	0
	6" Blow Off	0.00 EA.	2,500.00	0
		0.00	—	0
Fire Hydrants - Water System				
	6" Standard Fire Hydrants (Relocate)	EA.	2,800.00	0
	6" Super Fire Hydrants (N/A)	0.00 EA.	2,800.00	0
3	6" Super Fire Hydrants	5.00 EA.	3,000.00	0
Water Meters & Service - Water System				
10	1" Meter & 1" Service	2.00 EA	4729.00	9,458
9	2" Meter & 2" Service	1.00 EA	4729.00	4,729
		0.00 EA	—	0
Hot Tap Connections - Water System				
13	6" Hot Tap	4.00 EA.	2,000.00	8,000
13	Water Service	3.00 EA.	330.00	990
13	12" Hot Tap	1.00 EA.	4,200.00	4,200
	16" Hot Tap	0.00 EA.	0.00	0
Miscellaneous - Water System				
7	Thrust Block	7.00 EA.	150.00	1,050
2	10" DDC	2.00 EA.	7,000.00	14,000
14	1" Backflow	2.00 EA.	1,000.00	2,000
11	2" Backflow	1.00 EA.	1,500.00	1,500
6	Remove and Restore Ac Pavement	2350.00 SF	3.00	7,050
3	Remove 4" Dead End Flush Out	1.00 EA.	1,000.00	1,000
5	4" Dead End Flush Out	1.00 EA.	20.00	20
2	Cut/Cap Ex. 12" Water	2.00 EA.	1,500.00	3,000
TOTAL				93,917

Exhibit D

BOARD OF DIRECTORS

Dr. Clifford O. Young, Sr.
President, Board of Directors
 Gregory Young
Vice President, Board of Directors
 Dr. Michael Taylor
Director
 Kyle Crowther
Director
 Donald Olinger
Director



ESTABLISHED AS A PUBLIC AGENCY IN 1952
 WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
 SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
 AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
 WATER-USE EFFICIENCY AND CONSERVATION.

ADMINISTRATIVE STAFF

Robert Christman
Interim General Manager
 Greg Gage
Assistant General Manager
 Deborah L. Martinez
*Interim Human Resources
 and Risk Manager*
 Crystal L. Escalera
Interim Board Secretary
 Patricia Romero
Assistant Board Secretary

2018 HOLIDAY LIST

MONDAY, JANUARY 1	NEW YEAR'S DAY
TUESDAY, JANUARY 2	NEW YEAR'S EVE (OBSERVED)
MONDAY, JANUARY 15	MARTIN LUTHER KING, JR.
MONDAY, FEBRUARY 19	PRESIDENT'S DAY
MONDAY, MAY 28	MEMORIAL DAY
WEDNESDAY, JULY 4	INDEPENDENCE DAY
MONDAY, SEPTEMBER 3	LABOR DAY
MONDAY, NOVEMBER 12	VETERANS DAY (OBSERVED)
THURSDAY, NOVEMBER 22	THANKSGIVING DAY
FRIDAY, NOVEMBER 23	DAY AFTER THANKSGIVING
MONDAY, DECEMBER 24	CHRISTMAS EVE
TUESDAY, DECEMBER 25	CHRISTMAS DAY
MONDAY, DECEMBER 31	NEW YEAR'S EVE

2019 HOLIDAY LIST

TUESDAY, JANUARY 1	NEW YEAR'S DAY
--------------------	----------------

855 W. Base Line Rd., P.O. Box 920 | Rialto, CA 92377-0920
 Ph: (909) 875-1804 | Fax: (909) 875-1849
www.wvwd.org

FAX (909) 875-7284 Administration
 FAX (909) 875-1361 Engineering
 FAX (909) 875-1849 Customer Service

Exhibit E

WEST VALLEY WATER DISTRICT

PROCEDURAL DOCUMENTS

NOTICE TO PROCEED

TO: B&B Plastics Recyclers, Inc
3040 N. Locust Ave
Rialto, CA 92377

Project Description: B&B Plastics

You are hereby notified to commence work in accordance with the Agreement dated _____, 2018, on or before _____, 20 18, and you are to complete the Work within one year from the estimated construction start date.

You are required to return an acknowledged copy of this Notice to Proceed to the Owner.

Dated this ____ day of _____, 2018.

WEST VALLEY WATER DISTRICT


By _____
Clarence C. Mansell, Jr.

Title Interim General Manager

ACCEPTANCE OF NOTICE

Receipt of the above Notice to Proceed is hereby acknowledged by _____

THIS THE ____ DAY OF _____, 2018.



B&B Plastics Recyclers, Inc

By Balhoza MELIA
Title President

Issued in duplicate originals

Premium:Included in Performance
BondBOND NO. 379887S**WARRANTY BOND**

Warranty Guarantee Bond to the WEST VALLEY WATER DISTRICT for Water System Installation in accordance with the Approved Water Improvement Plans for **Casmalia Holdings LLC a California Limited Liability Company**, dated **October 23, 2018**. KNOW ALL MEN BY THESE PRESENTS; THAT WHEREAS, THE WEST VALLEY WATER DISTRICT, (sometimes referred to hereinafter as "Obligee"), has an agreement with the "Developer" to install a water system within Developer's development in 1892 W. Casmalia St, Rialto, San Bernardino County, California.

WHEREAS, the water system is more particularly set forth in that certain design plan and specifications dated October 23, 2018, and identified as **Water Improvement Plans for Casmalia Holdings LLC**, dated October 23, 2018, which is incorporated herein by this reference.

WHEREAS, the Developer is required by said WEST VALLEY WATER DISTRICT to warrant the completed water system against defective labor or workmanship and materials for a period of two (2) years, and to provide a bond for guarantee of cost of repairs due to defective labor, workmanship, or materials.

NOW THEREFORE, we **Casmalia Holdings LLC**, the undersigned Developer as Principal and Indemnity Company of California, a corporation organized and existing under the laws of the State of California, and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the WEST VALLEY WATER DISTRICT in the sum of **NINETY-THREE THOUSAND NINE HUNDRED SEVENTEEN no/100 DOLLARS (\$93,917.00)**, said sum being not less than 100 percent of the total cost for installation (including labor and materials) of the water system, we

find 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 the above bounden 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 agreements to make all repairs to said water system necessitated by defective labor, workmanship or materials, and shall faithfully fulfill this two (2) year Guarantee of all materials, labor and workmanship and indemnify and save harmless the WEST VALLEY WATER DISTRICT’S, its officers and agents, as stipulated herein, then this obligation shall become null and void two (2) year from the date of WEST VALLEY WATER DISTRICT formal acceptance of the water system (Conveyance and Acceptance of Water System Agreement – Section 16)

In case suit is brought upon this bond or letter of credit, the said Surety shall pay to the WEST VALLEY WATER DISTRICT a reasonable attorney's fee to be fixed by the Court in addition to the principal amount of this bond. The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the agreement between WEST VALLEY WATER DISTRICT and Developer, or the work to be performed by the Developer or to the specifications of water system, 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 or to specifications.

IN WITNESS WHEREOF, we have hereunto set our hands this 14th, day of December, 2018.

ALL SIGNATURES MUST BE NOTARIZED

Casmalia Holdings LLC a California Limited Liability Company (Principal)

Indemnity Company of California (Surety)

Andrew J. Shaker (Attorney-In-Fact)

This rate of premium on this bond is zero per thousand. The total amount of premium charged: zero he above must be filled in by corporate surety).

Note: Copy of the power of attorney to local representatives of the bonding company may be attached hereto.

PRINCIPAL

Casmalia Holdings LLC a California Limited Liability Company

By: B&B Plastics Recyclers, Inc.

a California Corporation

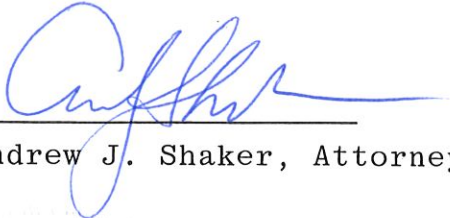
By: 

Baltazar Mejia, President

Authorized Agent

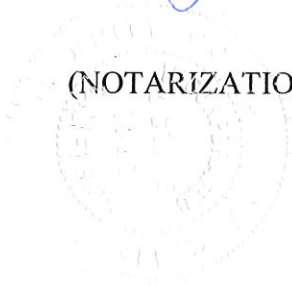
(NOTARIZATION AND SEAL)

SURETY
Indemnity Company of California



Andrew J. Shaker, Attorney-In-Fact

(NOTARIZATION AND SEAL)



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 Los Angeles)

On 12/14/18 before me, Charles P. Swan, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Andrew J. Shaker
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 Charles P. Swan
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 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: _____

POWER OF ATTORNEY FOR
DEVELOPERS SURETY AND INDEMNITY COMPANY
INDEMNITY COMPANY OF CALIFORNIA
PO Box 19725, IRVINE, CA 92623 (949) 263-3300

KNOW ALL BY THESE PRESENTS that except as expressly limited, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, do each hereby make, constitute and appoint:

Charles P. Swan, Gerry Lewis, Andrew J. Shaker, Kristine L. Clearman, jointly or severally

as their true and lawful Attorney(s)-in-Fact, to make, execute, deliver and acknowledge, for and on behalf of said corporations, as sureties, bonds, undertakings and contracts of suretyship giving and granting unto said Attorney(s)-in-Fact full power and authority to do and to perform every act necessary, requisite or proper to be done in connection therewith as each of said corporations could do, but reserving to each of said corporations full power of substitution and revocation, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This Power of Attorney is granted and is signed by facsimile under and by authority of the following resolutions adopted by the respective Boards of Directors of DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, effective as of January 1st, 2008.

RESOLVED, that a combination of any two of the Chairman of the Board, the President, Executive Vice-President, Senior Vice-President or any Vice President of the corporations be, and that each of them hereby is, authorized to execute this Power of Attorney, qualifying the attorney(s) named in the Power of Attorney to execute, on behalf of the corporations, bonds, undertakings and contracts of suretyship; and that the Secretary or any Assistant Secretary of either of the corporations be, and each of them hereby is, authorized to attest the execution of any such Power of Attorney;

RESOLVED, FURTHER, that the signatures of such officers may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures shall be valid and binding upon the corporations when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached.

IN WITNESS WHEREOF, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA have severally caused these presents to be signed by their respective officers and attested by their respective Secretary or Assistant Secretary this 4th day of October, 2018.

By: *Daniel Young*
Daniel Young, Senior Vice-President
By: *Mark Lansdon*
Mark Lansdon, Vice-President



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 Orange

On October 4, 2018 before me, Lucille Raymond, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Daniel Young and Mark Lansdon
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 *Lucille Raymond*
Lucille Raymond, Notary Public



Place Notary Seal Above

CERTIFICATE

The undersigned, as Secretary or Assistant Secretary of DEVELOPERS SURETY AND INDEMNITY COMPANY or INDEMNITY COMPANY OF CALIFORNIA, does hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked and, furthermore, that the provisions of the resolutions of the respective Boards of Directors of said corporations set forth in the Power of Attorney are in force as of the date of this Certificate.

This Certificate is executed in the City of Irvine, California, this 14th day of December, 2018.

By: *Cassie J. Berrisford*
Cassie J. Berrisford, Assistant Secretary



CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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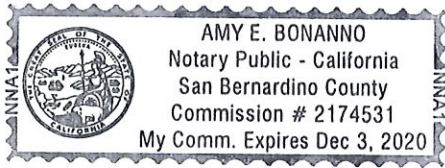
State of California }
County of SAN BERNARDINO }

On 12/20/2018 before me, AMY E. BONANNO, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer
personally appeared Baltazar Mejia
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 Amy E Bonanno
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: Warranty Bond
Document Date: Dec 14, 2018 Number of Pages:
Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name: Baltazar Mejia
Corporate Officer - Title(s): President
Partner - Limited General
Individual Attorney in Fact
Trustee Guardian or Conservator
Other:
Signer is Representing:

Issued in Duplicate Originals

Premium: 1,972.00 for a
two year term

3.b.c

BOND NO. 379887S

FAITHFUL PERFORMANCE BOND

To WEST VALLEY WATER DISTRICT for Water System Installation in Accordance with Water Improvement Plans for **Casmalia Holdings LLC a California Limited Liability Company**, dated **October 23, 2018**. This premium charged on this bond is \$1,972.00 being at the rate of \$21.00 per thousand of the contract price.

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, the WEST VALLEY WATER DISTRICT has awarded to:

Casmalia Holdings LLC a California Limited Liability Company
3040 N. Locust Ave
Rialto, CA 92377

as the "Principal", an agreement for the work described as follows:

Casmalia Holdings LLC a California Limited Liability Company - Water System Installation in Accordance with Approved Water Improvement Plans for Water Improvement Plans for Casmalia Holdings LLC a California Limited Liability Company, dated October 23, 2018.

WHEREAS, the said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of labor and materials of said contract:

NOW, THEREFORE, WE the undersigned Developer, as Principal, and Indemnity Company of California (Name of Surety) 17771 Cowan, Suite 100, Irvine, CA 92614 (Address of Surety) duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the WEST VALLEY WATER DISTRICT in the sum **NINETY-THREE THOUSAND NINE HUNDRED SEVENTEEN no/100 DOLLARS (\$93,917.00)**, lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the above bounded 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 all the undertakings, terms, covenants, conditions and agreements in the said agreement 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 WEST VALLEY WATER DISTRICT, its officers, agents, and as therein stipulated, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect. In case suit is brought on this bond, Surety further agrees to pay all court costs and reasonable attorney's fees as shall be fixed by the court.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any way 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 contract or to the work or to the specifications.

IN WITNESS WHEREOF, we have hereunto set our hands this 14th day of December, 2018.

ALL SIGNATURES MUST BE NOTARIZED

PRINCIPAL

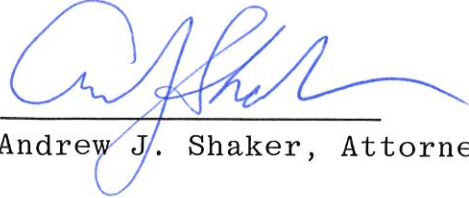
Casmalia Holdings LLC a California Limited Liability Company

By: B & B Plastics Recyclers, Inc., Managing Member

By: 
Baltazar Mejia, President

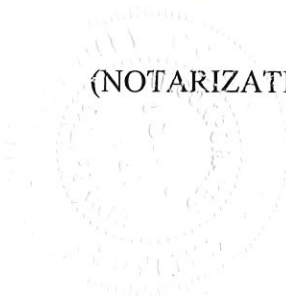
(NOTARIZATION AND SEAL)

SURETY
Indemnity Company of California



Andrew J. Shaker, Attorney-In-Fact

(NOTARIZATION AND SEAL)



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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State of California)

County of Los Angeles)

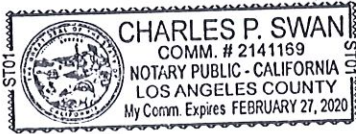
On 12/14/18 before me, Charles P. Swan, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Andrew J. Shaker
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 Charles P. Swan
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 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: _____

POWER OF ATTORNEY FOR
DEVELOPERS SURETY AND INDEMNITY COMPANY
INDEMNITY COMPANY OF CALIFORNIA
PO Box 19725, IRVINE, CA 92623 (949) 263-3300

KNOW ALL BY THESE PRESENTS that except as expressly limited, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, do each hereby make, constitute and appoint:

Charles P. Swan, Gerry Lewis, Andrew J. Shaker, Kristine L. Clearman, jointly or severally

as their true and lawful Attorney(s)-in-Fact, to make, execute, deliver and acknowledge, for and on behalf of said corporations, as sureties, bonds, undertakings and contracts of suretyship giving and granting unto said Attorney(s)-in-Fact full power and authority to do and to perform every act necessary, requisite or proper to be done in connection therewith as each of said corporations could do, but reserving to each of said corporations full power of substitution and revocation, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This Power of Attorney is granted and is signed by facsimile under and by authority of the following resolutions adopted by the respective Boards of Directors of DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, effective as of January 1st, 2008.

RESOLVED, that a combination of any two of the Chairman of the Board, the President, Executive Vice-President, Senior Vice-President or any Vice President of the corporations be, and that each of them hereby is, authorized to execute this Power of Attorney, qualifying the attorney(s) named in the Power of Attorney to execute, on behalf of the corporations, bonds, undertakings and contracts of suretyship; and that the Secretary or any Assistant Secretary of either of the corporations be, and each of them hereby is, authorized to attest the execution of any such Power of Attorney;

RESOLVED, FURTHER, that the signatures of such officers may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures shall be valid and binding upon the corporations when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached.

IN WITNESS WHEREOF, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA have severally caused these presents to be signed by their respective officers and attested by their respective Secretary or Assistant Secretary this 4th day of October, 2018.

By: *Daniel Young*
Daniel Young, Senior Vice-President
By: *Mark Lansdon*
Mark Lansdon, Vice-President



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 Orange

On October 4, 2018 before me, Lucille Raymond, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Daniel Young and Mark Lansdon
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 *Lucille Raymond*
Lucille Raymond, Notary Public



Place Notary Seal Above

CERTIFICATE

The undersigned, as Secretary or Assistant Secretary of DEVELOPERS SURETY AND INDEMNITY COMPANY or INDEMNITY COMPANY OF CALIFORNIA, does hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked and, furthermore, that the provisions of the resolutions of the respective Boards of Directors of said corporations set forth in the Power of Attorney are in force as of the date of this Certificate.

This Certificate is executed in the City of Irvine, California, this 14th day of December, 2018.

By: *Cassie J. Berrisford*
Cassie J. Berrisford, Assistant Secretary



CALIFORNIA ACKNOWLEDGMENT

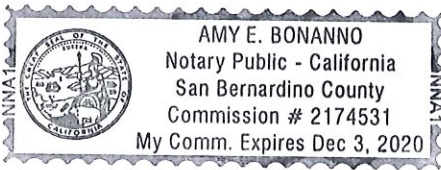
CIVIL CODE § 1189

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State of California }
County of SAN BERNARDINO }

On 12/20/2018 before me, AMY E. BONANNO, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer
personally appeared Baltazar Mejia
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 Amy E Bonanno
Signature of Notary Public

Place Notary Seal and/or Stamp Above

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: Faithful Performance Bond

Document Date: 12/14/2018 Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name: Baltazar Mejia

Corporate Officer - Title(s): President

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:



**BOARD OF DIRECTORS
ENGINEERING AND PLANNING COMMITTEE
STAFF REPORT**

DATE: January 9, 2019
TO: Engineering and Planning Committee
FROM: Clarence Mansell Jr., Interim General Manager
SUBJECT: CONSIDER AWARD OF CONTRACT FOR CUSTOMER SERVICE FOYER RENOVATION PROJECT TO CALTEC CORP.

BACKGROUND:

The West Valley Water District (“District”) has identified a need to improve the Customer Service Foyer, and the Administration Foyer. The project goal is to make these areas inviting and comfortable for our customers and the general public with structural and aesthetic enhancements.

This item was presented to the Engineering and Planning Committee on March 15, May 23, and July 12, 2017. At the May 23rd meeting Ruhnau Clarke Architects (“Architect”) was directed by the Engineering and Planning Committee Directors to prepare an update to the Conceptual Design options for both Foyers. These options were presented to the committee on July 12th were Option 2B was selected as the preferred Customer Service Foyer layout and Options 3A and 5A for the Administration Foyer. The Engineering and Planning Committee directed District Staff to have this item considered by the full Board of Directors. This item was presented to the full Board of Directors at the Board Meeting on August 3, 2017. At the August 3rd meeting the Board of Directors selected Options 2B and 3A and authorized the General Manager to negotiate a scope of work and fee with the Architect for a final design services task order based on Board selected options. On May 29, 2018 the City of Rialto (“City”) approved the drawings for the Foyers Project prepared by the Architect.

District Staff was directed to remove the Administration Foyer from the scope of work and bidding documents. On June 25, 2018 the District Staff and Architect held a meeting to discuss separating the phasing schedule and scope of work Not-In-Contract (“NIC”). The Architect was directed to prepare an updated set of plans and specifications identifying which areas are NIC.

On July 2, 2018 a Request for Bids (“RFB”) was posted on PlanetBids for the Foyer Renovation Project. On July 30, 2018 one (1) bid was received. This item was presented to the Engineering and Planning Committee on August 8, 2018. At the August 8th, 2018 meeting District Staff was directed to re-bid the Customer Service Foyer Renovation Project (“Foyer Project”) and publically advertise in a newspaper.

DISCUSSION:

On September 25, 2018 a Request for Bids (“RFB”) was posted on PlanetBids for the Foyer Project to general building contractors and eight (8) construction firms. On September 28, 2018 the Bid Notice Inviting Bids for the Foyer Project was published in the San Bernardino County Sun newspaper. On October 30, 2018 four (4) bids were received. A summary of the bidders are as follows:

Bidder	Cost
CalTec Corp	\$567,000.00
Robert Clapper Construction Services, Inc.	\$686,000.00
Harik Construction, Inc.	\$737,000.00
Marjani Builders, Inc.	\$815,000.00
Hamel Contracting, Inc.	No Bid
Inland Building Construction Companies, Inc.	No Bid
Erickson-Hall Construction Co.	No Bid
Pence Construction, Inc.	No Bid
RC Construction Services, Inc.	No Bid
Regency Pacific	No Bid

Staff has reviewed the bid information and confirmed that CalTec Corp. is the lowest responsible and responsive bidder. If awarded by the Board of Directors, work is anticipated to start within 30 days.

FISCAL IMPACT:

The cost of the Construction of the Foyer Project as proposed by CalTec Corp. is \$567,000.00. This item was included in the Fiscal Year 2018/2019 Capital Improvement Budget under the Customer Service Foyer Renovation with a current budget of \$397,936.73. The District’s budget has funds available to transfer. A summary of the requested budget transfer is as follows:

CIP FY 2018/2019 Project Name	Current Budget	Construction Cost	Transfer From/To	Remaining Budget
W17003 IVDA Well 2A Rehabilitation and Equipping - Design	\$122,211.00	\$0.00	(\$122,211.00)	\$0.00
W19005 Zone 7 PRV – New PRV on Lytle Creek Ranch Development	\$120,000.00	\$0.00	(\$46,852.27)	\$73,147.73
Customer Service Foyer Renovation	\$397,936.73	\$567,000.00	\$169,063.27	\$0.00

STAFF RECOMMENDATION:

Staff is requesting direction from the Engineering and Planning Committee.

Respectfully Submitted,

Clarence C. Mansell Jr.

Clarence Mansell Jr., Interim General Manager

RMG:ce

MEETING HISTORY:

11/14/18 Engineering and Planning Committee REFERRED TO BOARD
12/06/18 Board of Directors REFERRED TO COMMITTEE