



REVISED AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF
MORENO VALLEY
BOARD OF LIBRARY TRUSTEES

August 24, 2010

SPECIAL PRESENTATIONS – 6:00 P.M.
REGULAR MEETING – 6:30 P.M.

City Council Closed Session

First Tuesday of each month – 6:00 p.m.

City Council Study Sessions

Third Tuesday of each month – 6:00 p.m.

City Council Meetings

Second and Fourth Tuesdays – 6:30 p.m.

City Hall Council Chamber - 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Mel Alonzo, ADA Coordinator, at 951.413.3027 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Robin N. Hastings, Mayor Pro Tem
Jesse L. Molina, Council Member

Bonnie Flickinger, Mayor

Richard A. Stewart, Council Member
William H. Batey II, Council Member

**REVISED AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
August 24, 2010**

CALL TO ORDER

SPECIAL PRESENTATIONS

1. Recognition of the 2010 Summer Reading Program Super Readers by the Moreno Valley Friends of the Library
2. Proclamation Recognizing Rancho Verde Mustangs Girls' 400 Meter Relay Track Team
3. 2009 Volunteer of the Year – Alma Mittleider
4. Presentation of Habitat for Humanity Riverside Poster Recognizing City of Moreno Valley Volunteers
5. Employees of the Quarter - Tim Carroll - Media and Production Coordinator, Bob Lorch & Rob Roseen - Cable TV Producers
6. "Spotlight on Moreno Valley Business"

REVISED AGENDA *
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO
VALLEY AND THE BOARD OF LIBRARY TRUSTEES

REGULAR MEETING - 6:30 PM
AUGUST 24, 2010

CALL TO ORDER

(Joint Meeting of the City Council, Community Services District, Community Redevelopment Agency, and the Board of Library Trustees - actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item)

PLEDGE OF ALLEGIANCE

INVOCATION - Pastor O.J. Philpot, Christ Community Church

ROLL CALL

INTRODUCTIONS

PUBLIC COMMENTS ON MATTERS ON THE AGENDA WILL BE TAKEN UP AS THE ITEM IS CALLED FOR BUSINESS, BETWEEN STAFF'S REPORT AND CITY COUNCIL DELIBERATION (SPEAKER SLIPS MAY BE TURNED IN UNTIL THE ITEM IS CALLED FOR BUSINESS.)

PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL WILL BE HEARD PRIOR TO CITY COUNCIL REPORTS AND CLOSING COMMENTS. IN THE EVENT THAT THE AGENDA ITEM FOR SUCH PUBLIC COMMENTS HAS NOT BEEN CALLED BY 9:00 P.M., IT SHALL BE CALLED AS THE NEXT ITEM OF BUSINESS FOLLOWING THE CONCLUSION OF ANY ITEM BEING HEARD AT 9:00 P.M. Those wishing to speak should submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

JOINT CONSENT CALENDARS (SECTIONS A-D)

All items listed under the Consent Calendars, Sections A, B, C, and D are considered to be routine and non-controversial, and may be enacted by one motion unless a member of the Council, Community Services District, Redevelopment Agency or the Board of Library Trustees requests that an item be removed for

separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

A. CONSENT CALENDAR-CITY COUNCIL

A.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

A.2 MINUTES - SPECIAL MEETING OF JULY 6, 2010 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

A.3 MINUTES - REGULAR MEETING OF JULY 13, 2010 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

A.4 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk's Department)

Recommendation:

Receive and file the Reports on Reimbursable Activities for the period of July 7, 2010 – August 17, 2010.

A.5 APPROVE AND ADOPT RESOLUTION NO. 2010-75 ELECTING TO HEAR FUTURE RESOLUTIONS OF NECESSITY FOR THE STATE ROUTE 60/MORENO BEACH DRIVE IMPROVEMENTS PROJECT (MORENO BEACH PROJECT) AND DESIGNATION OF THE CITY'S SPECIAL EMINENT DOMAIN COUNSEL TO PROCESS RESOLUTIONS OF NECESSITY PACKAGES FOR THE PROJECT - PROJECT NO. 07-41570024 (Report of: Public Works Department)

Recommendation:

1. Approve and adopt the proposed Resolution Electing to Hear Future Resolutions of Necessity for the State Route 60/Moreno Beach Drive Improvements Project and Designation of the City's Special Eminent Domain Counsel to Process Resolution of Necessity Packages for the Project; and

Resolution No. 2010-75

A Resolution of the City Council of the City of Moreno Valley Electing

To Hear Future Resolutions Of Necessity For The State Route 60/Moreno Beach Drive Improvements Project And Designation Of The City's Special Eminent Domain Counsel To Process Resolution Of Necessity Packages For The Project

2. Authorize and direct the Public Works Director/City Engineer to deliver the resolution together with other required information and documents with respect to the City's Special Eminent Domain Counsel and to provide other related materials to Caltrans as required.

A.6 TRACT MAP 32625 - REDUCE FAITHFUL PERFORMANCE BOND AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING MCABEE AVENUE, MOLSON COURT, ALTIVO STREET, KENDA COURT AND THE PORTIONS OF COTTONWOOD AVENUE AND REDLANDS BOULEVARD ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM; DEVELOPER: MERITAGE HOMES OF CALIFORNIA, INC., IRVINE, CA 92617 (Report of: Public Works Department)

Recommendation:

1. Adopt Resolution No. 2010-76 authorizing the acceptance of the public improvements within Tract Map 32625 as complete and accepting McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the portions of Cottonwood Avenue and Redlands Boulevard associated with the project into the City's maintained street system; and

Resolution No. 2010-76

A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Acceptance of the Public Improvements as Complete within Tract Map 32625 and Accepting McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the Portions of Cottonwood Avenue and Redlands Boulevard Associated with the Project into the City's Maintained Street System

2. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received.

A.7 SECOND AMENDMENT TO AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR SR-60/NASON STREET INTERCHANGE

IMPROVEMENTS PROJECT -- PROJECT NO. 98-25897 (Report of: Public Works Department)

Recommendation:

1. Approve the Second Amendment to Agreement for Professional Consultant Services with TCM Group (TCM), 3130-B Inland Empire Boulevard, Ontario, CA 91764 to provide construction management and inspection services for SR-60/Nason Street Interchange Improvements;
2. Authorize the City Manager to execute said Second Amendment to Agreement for Professional Consultant Services with TCM;
3. Authorize a Change Order to increase the Purchase Order with TCM by the amount of \$1,414,807 when the amendment has been signed by all parties (Account No. 125.89720) and extend the contract termination date from December 31, 2011 to December 31, 2012; and
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor amendments to the contract with TCM subject to the approval of the City Attorney.

A.8 ADOPT ORDINANCE NO. 814 - AN ORDINANCE OF THE CITY OF MORENO VALLEY AMENDING, SECTION 11.40.040 OF CHAPTER 11.40 OF TITLE 11 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE, RELATING TO THE CARRYING OF BLANK SHOOTING PISTOLS AND THE SHOOTING OF BLANKS AT THE MORENO VALLEY EQUESTRIAN CENTER (RECEIVED FIRST READING AND INTRODUCTION ON JULY 13, 2010 ON A 5-0 VOTE) (Report of: Parks & Community Services Department)

Recommendation:

Adopt Ordinance No. 814, an Ordinance of the City of Moreno Valley, amending Section 11.40.040 of Chapter 11.40 of Title 11 of the City of Moreno Valley Municipal Code, relating to the carrying of blank shooting pistols and the shooting of blanks at the Moreno Valley Equestrian Center.

Ordinance No. 814

An Ordinance of the City of Moreno Valley, California, amending Section 11.40.040 of Chapter 11.40 of Title 11 of the City of Moreno Valley Municipal Code, Relating to the Carrying of Blank Shooting Pistols and the Shooting of Blanks at the Moreno Valley Equestrian Center

A.9 ADOPT RESOLUTION NO. 2010-77 APPROVING THE RELOCATION PLAN FOR ELIGIBLE OCCUPANTS OF MOBILE HOME UNITS,

LOCATED AT 14890 PERRIS BOULEVARD (APN 484-242-017) FOR PERRIS BOULEVARD WIDENING FROM PERRIS VALLEY STORM DRAIN LATERAL "B" TO CACTUS AVENUE - PROJECT NO. 11-41570125 (Report of: Public Works Department)

Recommendation:

Adopt the proposed Resolution approving the Relocation Plan for eligible occupants of mobile home units, located at 14890 Perris Boulevard (APN 484-242-017).

Resolution No. 2010-77

A Resolution of the City Council of the City of Moreno Valley, California, Approving the Relocation Plan for Eligible Occupants of Mobile Home Units Located at 14890 Perris Boulevard (APN 484-242-017) for Perris Boulevard Widening from Perris Valley Storm Drain Lateral "B" to Cactus Avenue

- A.10 RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED JUNE 30, 2010 (Report of: Financial & Administrative Services Department)

Recommendation:

Receive and file the Quarterly Investment Report, in compliance with the City's Investment Policy.

- A.11 ADOPT ORDINANCE 813 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING PA06-0184 (ZONE CHANGE) TO CHANGE THE LAND USE DISTRICT FROM BUSINESS PARK TO RESIDENTIAL 5 (R5) FOR THE APPROXIMATELY 40 ACRES LOCATED WITHIN ASSESSOR'S PARCEL NUMBERS 485-230-025 AND 485-230-026, LOCATED AT THE SOUTHEAST CORNER OF HEACOCK STREET AND GENTIAN AVENUE (RECEIVED FIRST READING AND INTRODUCTION ON JULY 13, 2010 ON A 5-0 VOTE) (Report of: Community Development Department)

Recommendation:

Adopt Ordinance No. 813.

Ordinance No. 813

Adopt Ordinance No. 813 of the City Council of the City of Moreno Valley, California, Approving PA06-0184 (Zone Change) to change the Land Use District from Business Park to Residential 5 (R5) for the approximately 40 acres located within Assessor's Parcel Numbers 485-230-025 and 485-230-026, located at the southeast corner of Heacock Street and Gentian Avenue

- A.12 AQUABELLA DEVELOPMENT AGREEMENT - ANNUAL REVIEW (P10-

044) (Report of: Community Development Department)

Recommendation:

Accept the Annual Report and determine that the property owner has complied in good faith with the terms, obligations and conditions of the Aquabella Development Agreement.

- A.13 PA07-0090 – ACCEPT THE AGREEMENT AND BONDS FOR THE PORTION OF PHASE 1 PUBLIC IMPROVEMENTS ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK, BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET; DEVELOPER: HF LOGISTICS – SKX T1, LLC, MORENO VALLEY, CA 92553 (Report of: Public Works Department)

Recommendation:

1. Accept the Agreement and Bonds for the Portion of Phase 1 Public Improvements associated with the Highland Fairview Logistics Corporate Park;
 2. Authorize the Mayor to execute the Agreement;
 3. Authorize the City Attorney to execute the Bonds;
 4. Direct the City Clerk to forward the signed Agreement and Bonds to the County Recorder's Office for recordation; and
 5. Authorize the Public Works Director/City Engineer to execute any future time extensions and amendments to the agreement, subject to City Attorney approval, if the required Phase 1 public improvements are not completed within said timeframe.
- A.14 PA07-0090 – APPROVAL OF COOPERATIVE AGREEMENT FOR MORENO MASTER DRAINAGE PLAN LINE F, STAGE 3, LINE D, LINE D-5, LINE D-6, AND LINE F SINCLAIR STREET STORM DRAIN, ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK, BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, CITY OF MORENO VALLEY, AND HF LOGISTICS-SKX T1, LLC, HF LOGISTICS-SKX T2, LLC, HIGHLAND FAIRVIEW PARTNERS I, HIGHLAND FAIRVIEW PARTNERS II, HIGHLAND FAIRVIEW PARTNERS III, AND HIGHLAND FAIRVIEW PARTNERS IV, BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET; DEVELOPER: HF LOGISTICS – SKX T1, LLC, MORENO VALLEY, CA 92553 (Report of: Public Works Department)

Recommendation:

1. Approve the Cooperative Agreement between Riverside County Flood Control and Water Conservation District, the City of Moreno Valley, and HF Logistics-SKX T1, LLC, HF Logistics-SKX T2, LLC, Highland Fairview Partners I, Highland Fairview Partners II, Highland Fairview Partners III, and Highland Fairview Partners IV for Moreno Master Drainage Plan Line F, Stage 3, Line D, Line D-5, Line D-6, and Line F Sinclair Street Storm Drain improvements;
2. Authorize the Mayor to execute the Cooperative Agreement; and
3. Direct the City Clerk to forward the signed Cooperative Agreement to Riverside County Flood Control and Water Conservation District.

- A.15 PA07-0090 – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS ASSOCIATED WITH PHASE 2 & 3 OF THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK, BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET; DEVELOPER: HF LOGISTICS – SKX T1, LLC, MORENO VALLEY, CA 92553 (Report of: Public Works Department)

Recommendation:

1. Accept the Agreement and Real Property Deeds of Trust as Securities for the public improvements associated with Phase 2 & 3 of the Highland Fairview Logistics Corporate Park;
2. Authorize the Mayor to execute the Agreement;
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation; and
4. Authorize the Public Works Director/City Engineer to execute any future time extensions, amendments to the agreement, subject to City Attorney approval, if the required Phase 2 & 3 public improvements are not completed within said timeframe.

- A.16 PA07-0090 – APPROVE PARCEL MAP NO. 35629 ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK, BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET; DEVELOPER: HF LOGISTICS – SKX T1, LLC, MORENO VALLEY, CA 92553 (Report of: Public Works Department)

Recommendation:

1. Approve Parcel Map No. 35629; and

2. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

A.17 SECOND AMENDMENT AND REINSTATEMENT INDEPENDENT CONTRACTOR AGREEMENT (Report of: Community Development Department)

Recommendation:

1. Approve the Second Amendment and Reinstatement Independent Contractor Agreement with Willdan for Plan Check/Inspection Services; and
2. Authorize the Mayor to execute the Second Amendment and Reinstatement Independent Contractor Agreement

A.18 PM 33152-1 – REQUEST TO EXTEND THE DURATION FOR A FULL ROAD CLOSURE OF OLD 215 FRONTAGE ROAD BETWEEN ALESSANDRO BOULEVARD AND DAY STREET FOR THE CONSTRUCTION OF STREET IMPROVEMENTS FROM JULY 17, 2010 – SEPTEMBER 30, 2010; DEVELOPER: ANDLAND PROPERTIES, LLC, TORRANCE, CA 90505 (Report of: Public Works Department)

Recommendation:

1. Authorize the additional 68-day extension recommended by the City Engineer for the full road closure of Old 215 Frontage Road Street from Alessandro Boulevard to Day Street for the construction of street improvements from July 17, 2010 to September 30, 2010; and
2. Authorize the City Engineer to allow for an additional 30-day extension to the proposed road closure window if the project is delayed due to unforeseen construction issues.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

B.2 MINUTES - SPECIAL MEETING OF JULY 6, 2010 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

B.3 MINUTES - REGULAR MEETING OF JULY 13, 2010 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

- B.4 NEW LEASE AGREEMENT FOR CARETAKERS OF THE MORENO VALLEY EQUESTRIAN PARK AND NATURE CENTER (Report of: Parks and Community Services Department)

Recommendation:

1. Authorize staff to charge \$500.00 per month rent, beginning September 1, 2010, to Robert and Christina Humbarger, the current Caretakers of the Moreno Valley Equestrian Park and Nature Center; and
2. Direct the Financial and Administrative Services Director to deposit all collected rental revenues into account 161.1610.4548.03 (Mobile Home Rentals).

- B.5 ADOPT ORDINANCE NO. CSD 54 - AN ORDINANCE OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT, OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING SECTION 5e OF ORDINANCE NO. CSD 52, RELATING TO THE CARRYING OF BLANK SHOOTING PISTOLS AND THE SHOOTING OF BLANKS AT THE MORENO VALLEY EQUESTRIAN CENTER (RECEIVED FIRST READING AND INTRODUCTION ON JULY 13, 2010 ON A 5-0 VOTE) (Report of: Parks & Community Services Department)

Recommendation:

Adopt Ordinance No. CSD 54, an Ordinance of the Moreno Valley Community Services District of the City of Moreno Valley, amending Section 5e of Ordinance No. CSD 52, relating to the carrying of blank shooting pistols and the shooting of blanks at the Moreno Valley Equestrian Center.

Ordinance No. CSD 54

An Ordinance of the Moreno Valley Community Services District, of the City of Moreno Valley, California, amending Section 5e of Ordinance No. CSD 52, Relating to the Carrying of Blank Shooting Pistols and the Shooting of Blanks at the Moreno Valley Equestrian Center

C. CONSENT CALENDAR - COMMUNITY REDEVELOPMENT AGENCY

- C.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

- C.2 MINUTES - SPECIAL MEETING OF JULY 6, 2010 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

- C.3 MINUTES - REGULAR MEETING OF JULY 13, 2010 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

- D.2 MINUTES - REGULAR MEETING OF JULY 13, 2010 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration. Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Bailiff.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

G. REPORTS

- G.1 CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES (Informational Oral Presentation - not for Council action)

a) Mayor Pro Tem Robin N. Hastings report on Western Riverside Council of Governments (WRCOG)

- G.2 SOUTHERN CALIFORNIA EDISON STATE OF THE UTILITY (Informational Oral Presentation - not for Council action)

- G.3 MILITARY APPRECIATION BANNER PROGRAM (Report of: City Manager's Office)

Recommendation: That the City Council:

Approve the Military Banner Appreciation Program, adopt Resolution 2010-78 amending Resolution 2010-23 to establish a fee for the Military Banner Appreciation Program and appropriate \$2,100 to 00359.359.22410.17 to fund the purchase of special military banners for those Moreno Valley residents that have been killed in action while serving our Nation.

Resolution No. 2010-78

A Resolution of the City Council of the City of Moreno Valley, California, Amending Resolution 2010-23 to Establish Fees for the Military Appreciation Banner Program in Order to Recover the Costs Associated with the Implementation of the Military Banner Program

- G.4 PUBLIC MEETING TO CONSIDER PUBLIC COMMENTS REGARDING A MAIL BALLOT PROCEEDING FOR A PROPOSED CHARGE INCREASE FOR THE COMMUNITY SERVICES DISTRICT ZONE B (RESIDENTIAL STREET LIGHTING) PROGRAM (Report of: Public Works Department)

Recommendation: That the City Council:

Acting in their capacities as President and Members of the Board of Directors of the Moreno Valley CSD ("CSD Board"), conduct a Public Meeting and accept public comments concerning a mail ballot proceeding for a proposed increase in the annual charge for the CSD Zone B (Residential Street Lighting) program.

- *G.5 ADDITIONAL POSITIONS FOR THE SPECIAL ENFORCEMENT TEAM (SET) GANG UNIT (Report of: Police Department)

Recommendation: That the City Council:

1. Approve the refunding of two previously defunded motorcycle officer positions at 2,080 hours;
2. Approve the reallocation of the two motorcycle officer positions at 2,080 hours to two (2) 1,780-hour officer positions to be assigned to the Special Enforcement Team (SET) Gang unit;
3. Approve the allocation of one additional (1) 1,780-hour officer position to be assigned to the SET Gang unit; and
4. Authorize an appropriation from the General Fund balance in the amount of \$578,968 to fund three (3) officer positions for the SET Gang unit for the remainder of the 2010-11 fiscal year (approximately 10 months). Funding for the 3 officer positions will come from additional savings achieved by the Police Department in their FY

2009-10 budget (\$968,000).

H. LEGISLATIVE ACTIONS

H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2 ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Those wishing to speak should complete and submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, OR COMMUNITY REDEVELOPMENT AGENCY

Materials related to an item on this Agenda submitted to the City Council/Community Services District/Community Redevelopment Agency or the Board of Library Trustees after distribution of the agenda packet are available for public inspection in the City Clerk's office at 14177 Frederick Street during normal business hours.

CLOSED SESSION

A Closed Session of the City Council, Community Services District and Community Redevelopment Agency of the City of Moreno Valley will be held in the City Manager's Conference Room, Second Floor, City Hall. The City Council will meet in Closed Session to confer with its legal counsel regarding the following matter(s) and any additional matter(s) publicly and orally announced by the City Attorney in the Council Chamber at the time of convening the Closed Session.

• PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

There is a three-minute time limit per person. Please complete and submit a BLUE speaker slip to the City Clerk. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

The Closed Session will be held pursuant to Government Code:

1 SECTION 54956.9(b)(1) - CONFERENCE WITH LEGAL COUNSEL - SIGNIFICANT EXPOSURE TO LITIGATION

Number of Cases: 2

2 SECTION 54956.9(c) - CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Number of Cases: 2

3 SECTION 54957 - PUBLIC EMPLOYEE APPOINTMENT/PUBLIC EMPLOYMENT

a) City Manager Recruitment

REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY

ADJOURNMENT

* Revision

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**MINUTES
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY**

**SPECIAL MEETING – 6:00 PM
July 6, 2010**

CALL TO ORDER

Special Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, and the Community Redevelopment Agency of the City of Moreno Valley was called to order at 6:03 p.m. by Mayor Flickinger in the Council Chamber located at 14177 Frederick Street, Moreno Valley, California.

PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was led by Mayor Flickinger

INVOCATION – Mayor Flickinger

ROLL CALL

Council:

Bonnie Flickinger	Mayor
Robin N. Hastings	Mayor Pro Tem
William H. Batey II	Council Member
Jesse L. Molina	Council Member
Richard A. Stewart	Council Member

Staff:

Cindy Miller	Executive Assistant to Mayor/City Council
William Bopf	Interim City Manager
Robert Hansen	City Attorney
Michelle Dawson	Acting Assistant City Manager
Chris Vogt	Public Works Director
Kyle Kollar	Interim Community Development Director

G. REPORTS

Mayor Flickinger opened the agenda item for public comments, which were received from Pete Bleckert.

- G.1 PA07-0090 – ACCEPT THE AGREEMENT AND SECURITY FOR THE REDLANDS SEWER IMPROVEMENTS ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS and Theodore Street; Developer: HF LOGISTICS – SKX T1, LLC, MORENO VALLEY, CA 92553 (Report of: Public Works Department)

Recommendation:

1. Accept the Agreement and Security for the Redlands Sewer Improvements associated with the Highland Fairview Logistics Corporate Park;
2. Authorize the Mayor to execute the Agreement and the Escrow Instructions contingent upon the cash security being placed into the escrow account;
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation; and
4. Authorize the Public Works Director/City Engineer to execute any future time extensions, amendments to the agreement, subject to City Attorney approval, if the required sanitary sewer improvements within Redlands Boulevard are not completed within said timeframe.

**Motion to Approve by m/Council Member Richard A. Stewart,
s/Council Member Jesse L. Molina**

Approved by a vote of 5-0.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 6:12 p.m. to Regular City Council Closed Session by unanimous informal consent.

Submitted by:

Jane Halstead, City Clerk, CMC
Secretary, Moreno Valley Community Services District
Secretary, Community Redevelopment Agency of the City of Moreno Valley

Approved by:

Bonnie Flickinger, Mayor
President, Moreno Valley Community Services District
Chairperson, Community Redevelopment Agency of the City of Moreno Valley

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MINUTES
CITY COUNCIL OF THE CITY OF MORENO VALLEY
July 13, 2010

CALL TO ORDER

SPECIAL PRESENTATIONS

1. Recognition of Family FunFest 2010 Moreno Valley Idol Competition Winners
2. Presentation of 4th of July Parade Awards
3. "Spotlight on Moreno Valley Business"

**MINUTES
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:30 PM
July 13, 2010**

CALL TO ORDER

Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, the Community Redevelopment Agency of the City of Moreno Valley and the Board of Library Trustees was called to order at 6:40 p.m. by Mayor Flickinger in the Council Chamber located at 14177 Frederick Street.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Jesse Molina

INVOCATION - Pastor Charles Gibson, Breakthrough Church of God in Christ

ROLL CALL

Council:

Bonnie Flickinger	Mayor
Robin N. Hastings	Mayor Pro Tem
William H. Batey II	Council Member
Jesse L. Molina	Council Member
Richard A. Stewart	Council Member

Staff:

Jane Halstead	City Clerk
Julienne Clay	Administrative Assistant
Steve Hargis	Acting Financial and Admin. Services Director
William Bopf	Interim City Manager
John Ruiz	Interim Human Resources Director
Robert Hansen	City Attorney
Michelle Dawson	Acting Assistant City Manager
John Anderson	Police Chief
Steve Curley	Fire Chief
Chris Vogt	Public Works Director
Barry Foster	Economic Development Director
Mike McCarty	Parks & Community Services Director

JOINT CONSENT CALENDARS (SECTIONS A-D) OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, MORENO VALLEY COMMUNITY SERVICES DISTRICT, COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE BOARD OF LIBRARY TRUSTEES

A. CONSENT CALENDAR-CITY COUNCIL

A.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

A.2 MINUTES - REGULAR MEETING OF JUNE 22, 2010 (Report of: City Clerk)

Recommendation:

Approve as submitted.

A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk)

Recommendation:

Receive and file the Reports on Reimbursable Activities for the period of June 16 - July 6, 2010.

A.4 PERMIT PARKING FOR THE RESIDENTS ON LORAINNE TERRACE (Report of: Public Works Department)

Recommendation:

Approve and adopt proposed Resolution No. 2010-66 and direct staff to implement permit parking on Loraine Terrace.

Resolution No. 2010-66

A Resolution of the City Council of the City of Moreno Valley, California, Approving and Authorizing Installation of Permit Parking on Loraine Terrace

A.5 RESOLUTION RESCINDING THE PROVISIONS OF RESOLUTION 2007-55 OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AND AUTHORIZING THE SUBMITTAL OF APPLICATION FOR THE USED OIL PAYMENT PROGRAM UNDER THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) (Report of: Public Works Department)

Recommendation:

3

MINUTES
July 13, 2010

Adopt the proposed resolution (Resolution No. 2010-67) rescinding and restating the provisions of Resolution 2007-55 of the City Council of the City of Moreno Valley, California, authorizing application for the Used Oil Payment Program grant under the California Department of Resources Recycling and Recovery (CalRecycle).

Resolution No. 2010-67

A Resolution of the City Council of the City of Moreno Valley, California, Rescinding and Restating the Provisions of Resolution 2007-55 of the City Council of the City of Moreno Valley, California Authorizing Application for the Used Oil Grant Payment Program Funds Under the Department of Resources Recycling and Recovery (CalRecycle)

- A.6 APPROVAL OF CHECK REGISTER FOR MAY, 2010 (Report of: Financial & Administrative Services Department)

Recommendation:

Adopt Resolution No. 2010-68, approving the Check Register for the month of May, 2010 in the amount of \$19,967,907.47.

Resolution No. 2010-68

A Resolution of the City Council of the City of Moreno Valley, California, Approving the Check Register for the Month of May, 2010

- A.7 AUTHORIZE A CHANGE ORDER TO INCREASE THE PURCHASE ORDER TO VA CONSULTING, INC. FOR THE MORENO VALLEY AUTO MALL IMPROVEMENTS - PROJECT NO. 08-89791725 (ITEM ALSO LISTED AS AGENDA ITEM C.3) (Report of: Public Works Department)

Recommendation:

Authorize the City Manager to execute the Project Specific Agreement for Professional Consultant Services Agreement with VA Consulting, Inc. for the Auto Mall Improvements project, and to subsequently assign said Agreement to the Community Redevelopment Agency.

- A.8 SIXTH AMENDMENT TO AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR THE IRONWOOD AVENUE WIDENING PROJECT FROM HEACOCK STREET TO PERRIS BOULEVARD - PROJECT NO. 06-50182625-2 (Report of: Public Works Department)

Recommendation:

1. Approve the "Sixth Amendment to Agreement for Professional Consultant Services" with AECOM Technical Services, Inc., 1501 Quail Street, Newport Beach, California 92660;
2. Authorize the City Manager to execute said "Sixth Amendment to Agreement for Professional Consultant Services" with AECOM Technical Services, Inc.; and
3. Authorize a Change Order to increase the Purchase Order with AECOM Technical Services, Inc. for \$99,975 (Account No. 415.70227) for additional storm drain design, engineering support for Southern California Edison's power pole relocation, right-of-way, and environmental services when the Sixth Amendment to Agreement for Professional Consultant Services has been signed by all parties.

A.9 AUTHORIZE A CHANGE ORDER TO INCREASE THE PURCHASE ORDER WITH PALP INC. DBA EXCEL PAVING COMPANY FOR THE SUNNYMEAD BOULEVARD BEAUTIFICATION AND ENHANCEMENT PROJECT FROM FREDERICK STREET TO PERRIS BOULEVARD - PROJECT NO. 04-89280221-2 (Report of: Public Works Department)

Recommendation:

1. Authorize a Change Order to increase the Purchase Order with PALP Inc. dba Excel Paving Company, in the amount of \$50,000 for the Sunnymead Boulevard Beautification and Enhancement Project from Frederick Street to Perris Boulevard (Account No. 892.80221); and
2. Authorize the City Manager to execute the Change Order to the Purchase Order for PALP Inc. dba Excel Paving Company.

A.10 APPROVE "REIMBURSEMENT AGREEMENT" FOR THE INSTALLATION OF EASTERN MUNICIPAL WATER DISTRICT (EMWD) IMPROVEMENTS FOR INDIAN DETENTION BASIN DRAINAGE IMPROVEMENTS, AND IRONWOOD AVENUE STREET IMPROVEMENTS FROM HEACOCK STREET TO NITA DRIVE - PROJECT NO. 09-89791726 (ALSO LISTED AS AGENDA ITEM C.4) (Report of: Public Works Department)

Recommendation:

1. Approve the "Reimbursement Agreement" for the installation of the Eastern Municipal Water District (EMWD) improvements for the Indian Detention Basin Drainage Improvements, and Ironwood Avenue Street Improvements from Heacock Street to Nita Drive;

2. Authorize the City Manager, as City Manager and acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley to execute the "Reimbursement Agreement" upon concurrence by EMWD, and authorize the City Manager to approve any changes that may be requested, subject to the approval of the City Attorney;
3. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the agreement with EMWD up to, but not exceeding, the contingency amount of \$49,096.00, subject to the approval of the City Attorney;
4. Authorize the City Manager to appropriate a maximum amount of \$109,333.50 (\$91,111.25 plus 20% contingency) for EMWD improvements for the Indian Detention Basin Drainage improvements and the Ironwood Avenue street improvements from Heacock Street to Nita Drive (Account No. 414.XXXXX); and
5. Authorize the City Manager to appropriate a maximum amount of \$185,242.50 (\$154,368.75 plus 20% contingency) for EMWD improvements for the Ironwood Avenue street improvements from Heacock Street to Perris Boulevard (Account No. 414.XXXXX).

A.11 AUTHORIZE A PROJECT AGREEMENT WITH OVERLAND, PACIFIC AND CUTLER, INC. FOR VARIOUS PROJECTS OF THE CAPITAL PROJECTS DIVISION (Report of: Public Works Department)

Recommendation:

1. Authorize the City Manager to execute the Project Agreement for On-Call Professional Consultant Services (Project Agreement) with Overland, Pacific and Cutler, Inc. (OPC) for various projects of the Capital Projects Division; and
2. Authorize a purchase order for OPC, in the amount of \$99,000 to continue to provide right of way services for various projects of the Capital Projects Division when the Project Agreement has been signed by all parties (Account No. 416.78526).

A.12 SECOND AMENDMENT TO AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR THE SUNNYMEAD BOULEVARD IMPROVEMENTS PROJECT FROM FREDERICK STREET TO PERRIS BOULEVARD, PROJECT NO. 04-89280221 (Report of: Public Works Department)

Recommendation:

1. Approve the "Second Amendment to Agreement for Professional Consultant Services" with Harris & Associates, Inc., 9445 Fairway View Place, Suite 215, Rancho Cucamonga, CA 91730, to provide additional construction management and inspection services for the Sunnymead Boulevard Project from Frederick Street to Perris Boulevard;
2. Authorize the City Manager to execute the "Second Amendment to Agreement for Professional Consultant Services" with Harris & Associates, Inc.;
3. Authorize the issuance of a new Purchase Order from unencumbered monies in Fund 892 to Harris & Associates, Inc. in the amount of \$176,000 when the "Second Amendment to Agreement for Professional Consultant Services" has been signed by all parties (Account No. 892.80221); and
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor amendments to the "Agreement for Professional Consultant Services" with Harris & Associates, Inc., subject to approval by the City Attorney.

A.13 APPROVE "REIMBURSEMENT AGREEMENT" FOR THE INSTALLATION OF EASTERN MUNICIPAL WATER DISTRICT (EMWD) IMPROVEMENTS FOR THE IRONWOOD AVENUE IMPROVEMENTS, FROM DAY STREET TO BARCLAY DRIVE, PROJECT NO. 10-41570027 (ALSO LISTED AS AGENDA ITEM C.5) (Report of: Public Works Department)

Recommendation:

1. Approve the "Reimbursement Agreement" for the installation of the Eastern Municipal Water District (EMWD) 24" waterline as an extension of the District's existing 18" waterline which is located on the easterly end of the project and extends west to Day Street;
2. Authorize the City Manager, as City Manager and acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley to execute the "Reimbursement Agreement" upon concurrence by EMWD, and authorize the City Manager to approve any changes that may be requested, subject to the approval of the City Attorney;
3. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the agreement with EMWD, subject to the approval of the City Attorney; and

4. Authorize the City Manager to appropriate the amount of the EMWD deposit in Fund 414, after the revenue is received from EMWD per the "Reimbursement Agreement" to fund the waterline construction.

A.14 AUTHORIZE CHANGE ORDERS TO INCREASE THE PURCHASE ORDERS WITH FS CONSTRUCTION FOR THE SIDEWALK IMPROVEMENT PROJECTS ON TEMCO STREET, VOUGHT STREET, BOEING STREET AND MCDONNELL STREET, PROJECT NOS. 08-28368428, 08-28368528 AND 08-28368728 (Report of: Public Works Department)

Recommendation:

1. Authorize Change Orders to increase the Purchase Orders with FS Construction in the total amount of \$80,000 for additional work for the Sidewalk Improvement Projects on Temco Street, Vought Street, Boeing Street and McDonnell Street (Account Nos. 283.68428, 283.68528 and 283.68728);
2. Authorize the City Manager to execute the Change Orders for FS Construction;
3. Authorize the Public Works Director/City Engineer to accept the work as complete for sidewalk improvements;
4. Direct the City Clerk to record the Notice of Completion within ten (10) calendar days at the Office of the County Recorder of Riverside County as required by Section 3093 of the California Civil Code; and
5. Authorize the Financial & Administrative Services Director to release the retention to FS Construction thirty five (35) calendar days after the date of recordation of the Notice of Completion if no claims are filed against the projects.

A.15 ADOPT RESOLUTION NO. 2010-69, APPOINTING DEPUTY CITY ATTORNEY III SUZANNE BRYANT AS THE CITY'S VOTING DELEGATE TO THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE BUSINESS MEETING - SEPTEMBER 15-17, 2010 (Report of: City Clerk's Department)

Recommendation:

Adopt Resolution No. 2010-69, Appointing Deputy City Attorney III Suzanne Bryant as the City's Voting Delegate to the League of California Cities 2010 Annual Conference Business Meeting.

Resolution No. 2010-69

A Resolution of the City Council of the City of Moreno Valley, California, Designating a Voting Delegate to the League of California Cities 2010 Annual Conference

- A.16 TRACT MAP 31414 – EXONERATION OF BONDS FOR PUBLIC IMPROVEMENT AGREEMENT, SOUTHEAST CORNER OF PIGEON PASS ROAD AND SUNNYMEAD RANCH PARKWAY - DEVELOPER: ZAPER, CORP., RIVERSIDE, CA 92504 (Report of: Public Works Department)

Recommendation:

Authorize the Public Works Director/City Engineer to execute the exoneration of the original Faithful Performance and Material and Labor securities associated with the Tract Map 31414 public improvements.

- A.17 PROJECT PA04-0215 (TR 33256) – SINGLE FAMILY RESIDENTIAL – ACCEPT SUBSTITUTION AGREEMENT AND BONDS FOR PUBLIC IMPROVEMENTS, SOUTH OF STATE ROUTE 60 ON THE NORTH SIDE OF FIR AVENUE, BETWEEN NASON STREET AND MORRISON STREET - DEVELOPER: VALLEY OAK, LP, NEWPORT BEACH, CA 92660 (Report of: Public Works Department)

Recommendation:

1. Accept the substitution of Agreement for Public Improvements and bonds for project PA04-0215;
2. Authorize the Mayor to execute the agreement;
3. Direct the City Clerk to forward the signed agreement to the County Recorder's Office for recordation;
4. Authorize the Public Works Director/City Engineer to exonerate the Faithful Performance Bond and Material and Labor Bond previously submitted by MVGH 2004, LLC, upon acceptance of the substitution agreement and bonds; and
5. Authorize the Public Works Director/City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said time frame.

- A.18 APPROVAL OF RESOLUTION AND FIRST AMENDMENT TO THE IMPLEMENTATION AGREEMENT (THE AB 811 PROGRAM) WITH

WESTERN RIVERSIDE COUNTY COUNCIL OF GOVERNMENTS (WRCOG) TO EXPAND THE PROGRAM TO PERMIT FUNDING FOR WATER CONSERVATION IMPROVEMENTS (Report of: Community Development Department)

Recommendation:

1. Authorize the Mayor to execute the First Amendment to the Implementation Agreement between the Western Riverside Council of Governments and the City of Moreno Valley to implement AB 811; and
2. Adopt Resolution 2010-70, consenting to inclusion of properties within the City's incorporated area in WRCOG's contractual assessment program to finance distributed generation renewable energy sources and energy efficiency improvements, including the addition of water efficiency improvements to the improvements authorized to be financed through the WRCOG Program.

Resolution No. 2010-70

A Resolution of the City Council of the City of Moreno Valley, California, Approving an Amendment Modifying Its Consent to the Inclusion of Properties Within the City's Incorporated Area in the Western Riverside Council of Governments (WRCOG) Contractual Assessment Program to Consent to the Addition of Water Efficiency Improvements to the Improvements Authorized to Be Financed Through Such Program

- A.19 PROJECT PA02-0133 (TR 31089) – SINGLE FAMILY RESIDENTIAL – ACCEPT SUBSTITUTION AGREEMENT AND BONDS FOR PUBLIC IMPROVEMENTS, NORTH OF IRONWOOD AVENUE BETWEEN KITCHING STREET AND TUSCOLA STREET - DEVELOPER: BEAZER HOMES HOLDING CORP., BREA, CA 92821 (Report of: Public Works Department)

Recommendation:

1. Accept the substitution of Agreement for Public Improvements and bonds for project PA02-0133;
2. Authorize the Mayor to execute the agreement;
3. Direct the City Clerk to forward the signed agreement to the County Recorder's Office for recordation;
4. Authorize the Public Works Director/City Engineer to exonerate

the Faithful Performance Bond and Material and Labor Bond previously submitted by DH Moreno Valley I, LLC, upon acceptance of the substitution agreement and bonds; and

5. Authorize the Public Works Director/City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said time frame.

A.20 RESOLUTION AUTHORIZING THE CITY OF MORENO VALLEY TO CONTINUE TO PARTICIPATE IN THE "COMMUNITY ENERGY PARTNERSHIP" (Report of: Public Works Department)

Recommendation:

Adopt Resolution 2010-71 authorizing the City of Moreno Valley to continue to participate in the Community Energy Partnership, an Energy Efficiency Program among Southern California cities, with the Energy Coalition, a California non-profit corporation, Southern California Edison and Southern California Gas Company.

Resolution No. 2010-71

A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City to Participate in the "Community Energy Partnership", an Energy Efficiency Program Among Southern California Cities, with the Energy Coalition, a California Non-Profit Corporation, Southern California Edison and Southern California Gas Company

A.21 NOTICE OF COMPLETION AND ACCEPTANCE FOR LASSELLE STREET WIDENING FROM JOHN F. KENNEDY DRIVE TO ALESSANDRO BOULEVARD IMPROVEMENTS - PROJECT NO. 06-50182725 (Report of: Public Works Department)

Recommendation:

1. Accept the work as complete for the Lasselle Street Widening from John F. Kennedy Drive to Alessandro Boulevard Improvements, constructed by Wheeler Paving, Inc. (Wheeler Paving), 8432 63rd Avenue, Riverside, CA 92509;
2. Direct the City Clerk to record the Notice of Completion within ten (10) calendar days at the office of the County Recorder of Riverside County, as required by Section 3093 of the California Civil Code;
3. Authorize the Financial and Administrative Services Director to

release the retention to Wheeler Paving, thirty-five (35) calendar days after the date of recordation of the Notice of Completion, if no claims are filed against the project; and

4. Accept the improvements into the City's maintained road system.

A.22 AUTHORIZATION TO AWARD THE CONSTRUCTION CONTRACT FOR THE INDIAN DETENTION BASIN DRAINAGE IMPROVEMENTS, AND IRONWOOD AVENUE STREET IMPROVEMENTS FROM HEACOCK STREET TO NITA DRIVE - PROJECT NO. 09-89791726 (ALSO LISTED AS AGENDA ITEM C.6) (Report of: Public Works Department)

Recommendation:

1. Award the construction contract for the Indian Detention Basin Drainage Improvements, and Ironwood Avenue Street Improvements from Heacock Street to Nita Drive to Riverside Construction Company, Inc., the lowest responsible bidder;
2. Authorize the City Manager, as City Manager and acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley, to execute a contract with Riverside Construction Company, Inc., on behalf of the City and the Community Redevelopment Agency;
3. Authorize the issuance of a Purchase Order to Riverside Construction Company, Inc. in the amount of \$4,124,375.14 (\$3,749,431.95 plus 10% contingency) when the contract has been signed by all parties;
4. Authorize the Public Works Director/City Engineer to execute any subsequent related change orders to the contract with Riverside Construction Company, Inc. up to but not exceeding the contingency amount of \$374,943.19, subject to the approval of the City Attorney;
5. Re-appropriate \$180,000 from Account No. 897.91724 (Day Street Improvements) to Account No. 897.91726 (Indian Detention Basin); and
6. Re-appropriate \$585,000 from Account No. 897.91728 (Nason Bridge Overcrossing) to Account No. 897.91726 (Indian Detention Basin).

A.23 PA09-0006 – APPROVE THE OFFERS OF DEDICATION AND EASEMENT DEED, FROM THE COMMUNITY REDEVELOPMENT

AGENCY OF THE CITY OF MORENO VALLEY TO THE CITY OF MORENO VALLEY, LOCATED ON LIBERTY STREET NORTH OF ATWOOD AVENUE - DEVELOPER: COMMUNITY HOMES INC., LOMA LINDA, CA 92354 (ALSO LISTED AS AGENDA ITEM C.7) (Report of: Public Works Department)

Recommendation:

1. Authorize the City Manager, in his capacity as the Executive Director of the Community Redevelopment Agency of the City of Moreno Valley, to execute the Offers of Dedication and execute the Easement Deed on Liberty Street north of Atwood Avenue; and
2. Direct the City Clerk to forward the Offers of Dedication and Easement Deed to the City Engineer to execute the Acceptance Certificates.

A.24 FUNDING FOR ELSWORTH STREET UTILITY IMPROVEMENTS AND MVP EV ONSITE UTILITY CONNECTION: COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY AND 2007 LEASE REVENUE BOND FUNDS (Report of: Economic Development Department)

Recommendation:

1. Review and approve the designation of \$107,841 in Community Development Block Grant – Recovery funds for the installation of electrical conduit and vaults on Elsworth Street from Goldencrest Drive to Corporate Center Drive;
2. Return to an undesignated status the commitment of \$107,000 in CDBG-R funds from the Participation Agreement with MVP EV; and
3. Secure an appropriation of \$107,841 from the 2007 Lease Revenue Bond Funds in support of the Participation Agreement with MVP EV.

A.25 PA09-0025/PA09-0043 – APPROVE PROPOSED RESOLUTION, SUMMARY VACATION OF A PORTION OF ALESSANDRO BOULEVARD WEST OF MORENO BEACH DRIVE, SOUTH SIDE OF ALESSANDRO BOULEVARD, WEST OF MORENO BEACH DRIVE - DEVELOPER: FRANK & MARIA POZGAJ FAMILY TRUST, RANCHO MIRAGE, CA 92270 (Report of: Public Works Department)

Recommendation:

1. Approve and adopt Resolution No. 2010-72, summarily vacating a portion of Alessandro Boulevard, north of APN 486-240-009,

located on the south side of Alessandro Boulevard, west of Moreno Beach Drive as a condition of approval for PA09-0043; and

Resolution No. 2010-72

A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Summary Vacation of a Portion of Alessandro Boulevard, South Side of Alessandro Boulevard, West of Moreno Beach Drive

2. Direct the City Clerk to certify said resolution and transmit a copy of the resolution to the County Recorder's office for recording.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

B.2 MINUTES - REGULAR MEETING OF JUNE 22, 2010 (Report of: City Clerk)

Recommendation:

Approve as submitted.

B.3 ACCEPTANCE OF GRANT MONIES FROM THE CALIFORNIA DEPARTMENT OF EDUCATION, CHILD DEVELOPMENT SERVICES, FOR CHILD CARE SERVICES AND ADOPTION OF THE RESOLUTION TO CERTIFY THE APPROVAL OF THE GOVERNING BOARD (Report of: Parks and Community Services Department)

Recommendation:

1. Authorize the acceptance of grant money in the amount of \$747,338 for Fiscal Year (FY) 2010/2011 from the California Department of Education, Child Development Division, for the purpose of providing school age child care and development services; and
2. Adopt Resolution No. CSD 2010-22 to certify the approval of the governing board to enter into this transaction with the California Department of Education for the purpose of providing child care and development services and to authorize the designated personnel, as shown on the resolution, to sign contract documents for FY 2010/2011.

Resolution No. CSD 2010-22

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Certifying the Approval of the Governing Board to Enter Into a Transaction with the California Department of Education for the Purpose of Providing Child Care and Development Services and to Authorize Designated Personnel to Sign Contract Documents for FY 2010/11

C. CONSENT CALENDAR - COMMUNITY REDEVELOPMENT AGENCY

C.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

C.2 MINUTES - REGULAR MEETING OF JUNE 22, 2010 (Report of: City Clerk)

Recommendation:

Approve as submitted.

C.3 AUTHORIZE A CHANGE ORDER TO INCREASE THE PURCHASE ORDER TO VA CONSULTING, INC. FOR THE MORENO VALLEY AUTO MALL IMPROVEMENTS - PROJECT NO. 08-89791725 (ITEM ALSO LISTED AS AGENDA ITEM A.7) (Report of: Public Works Department)

Recommendation:

1. Accept the assignment of the Agreement with VA Consulting, Inc. from the City;
2. Authorize the City Manager, acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley, to execute the Assignment Agreement on behalf of the Community Redevelopment Agency; and
3. Authorize a change order to increase the purchase order for VA Consulting, Inc., in the amount of \$50,000 for additional professional consultant design services when the Project Agreement and Assignment Agreement have been signed by all parties (Account No. 897.91725).

C.4 APPROVE REIMBURSEMENT AGREEMENT FOR THE INSTALLATION OF EASTERN MUNICIPAL WATER DISTRICT (EMWD) IMPROVEMENTS FOR INDIAN DETENTION BASIN DRAINAGE IMPROVEMENTS, AND IRONWOOD AVENUE STREET IMPROVEMENTS FROM HEACOCK

STREET TO NITA DRIVE - PROJECT NO. 09-89791726 (ALSO LISTED AS AGENDA ITEM A.10) (Report of: Public Works Department)

Recommendation:

1. Approve the "Reimbursement Agreement" for the installation of the Eastern Municipal Water District (EMWD) improvements for the Indian Detention Basin Drainage Improvements, and Ironwood Avenue Street Improvements from Heacock Street to Nita Drive;
2. Authorize the City Manager, as City Manager and acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley to execute the "Reimbursement Agreement" upon concurrence by EMWD, and authorize the City Manager to approve any changes that may be requested, subject to the approval of the City Attorney;
3. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the agreement with EMWD up to, but not exceeding, the contingency amount of \$49,096.00, subject to the approval of the City Attorney;
4. Authorize the City Manager to appropriate a maximum amount of \$109,333.50 (\$91,111.25 plus 20% contingency) for EMWD improvements for the Indian Detention Basin Drainage improvements and the Ironwood Avenue street improvements from Heacock Street to Nita Drive (Account No. 414.XXXXX); and
5. Authorize the City Manager to appropriate a maximum amount of \$185,242.50 (\$154,368.75 plus 20% contingency) for EMWD improvements for the Ironwood Avenue street improvements from Heacock Street to Perris Boulevard (Account No. 414.XXXXX).

C.5 APPROVE THE REIMBURSEMENT AGREEMENT FOR THE INSTALLATION OF EASTERN MUNICIPAL WATER DISTRICT IMPROVEMENTS FOR THE IRONWOOD AVENUE IMPROVEMENTS, FROM DAY STREET TO BARCLAY DRIVE, PROJECT NO. 10-41570027 (ALSO LISTED AS AGENDA ITEM A.13) (Report of: Public Works Department)

Recommendation:

1. Approve the "Reimbursement Agreement" for the installation of the Eastern Municipal Water District (EMWD) 24" waterline as an extension of the District's existing 18" waterline which is

located on the easterly end of the project and extends west to Day Street;

2. Authorize the City Manager, as City Manager and acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley to execute the "Reimbursement Agreement" upon concurrence by EMWD, and authorize the City Manager to approve any changes that may be requested, subject to the approval of the City Attorney;
3. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the agreement with EMWD, subject to the approval of the City Attorney; and
4. Authorize the City Manager to appropriate the amount of the EMWD deposit in Fund 414, after the revenue is received from EMWD per the "Reimbursement Agreement" to fund the waterline construction.

C.6 AUTHORIZATION TO AWARD THE CONSTRUCTION CONTRACT FOR THE INDIAN DETENTION BASIN DRAINAGE IMPROVEMENTS, AND IRONWOOD AVENUE STREET IMPROVEMENTS FROM HEACOCK STREET TO NITA DRIVE - PROJECT NO. 09-89791726 (ALSO LISTED AS AGENDA ITEM A.22) (Report of: Public Works Department)

Recommendation:

1. Award the construction contract for the Indian Detention Basin Drainage Improvements, and Ironwood Avenue Street Improvements from Heacock Street to Nita Drive to Riverside Construction Company, Inc., the lowest responsible bidder;
2. Authorize the City Manager, as City Manager and acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley, to execute a contract with Riverside Construction Company, Inc., on behalf of the City and the Community Redevelopment Agency;
3. Authorize the issuance of a Purchase Order to Riverside Construction Company, Inc. in the amount of \$4,124,375.14 (\$3,749,431.95 plus 10% contingency) when the contract has been signed by all parties;
4. Authorize the Public Works Director/City Engineer to execute any subsequent related change orders to the contract with Riverside Construction Company, Inc. up to but not exceeding the contingency amount of \$374,943.19, subject to the approval

of the City Attorney;

5. Re-appropriate \$180,000 from Account No. 897.91724 (Day Street Improvements) to Account No. 897.91726 (Indian Detention Basin); and
6. Re-appropriate \$585,000 from Account No. 897.91728 (Nason Bridge Overcrossing) to Account No. 897.91726 (Indian Detention Basin).

C.7 PA09-0006 – APPROVE THE OFFERS OF DEDICATION AND EASEMENT DEED, FROM THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY TO THE CITY OF MORENO VALLEY, LOCATED ON LIBERTY STREET NORTH OF ATWOOD AVENUE - DEVELOPER: COMMUNITY HOMES INC., LOMA LINDA, CA 92354 (ALSO LISTED AS AGENDA ITEM A.23) (Report of: Public Works Department)

Recommendation:

1. Authorize the City Manager, in his capacity as the Executive Director of the Community Redevelopment Agency of the City of Moreno Valley, to execute the Offers of Dedication and execute the Easement Deed on Liberty Street north of Atwood Avenue; and
2. Direct the City Clerk to forward the Offers of Dedication and Easement Deed to the City Engineer to execute the Acceptance Certificates.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

D.2 MINUTES - REGULAR MEETING OF JUNE 22, 2010 (Report of: City Clerk)

Recommendation:

Approve as submitted.

Motion to Approve Joint Consent Calendar Items A1 – D2 by m/Council Member William H. Batey II, s/Council Member Richard A. Stewart
Approved by a vote of 5-0.

E. PUBLIC HEARINGS

E.1 PUBLIC HEARING TO CONSIDER PUBLIC COMMENTS REGARDING THE MAIL BALLOT PROCEEDINGS FOR SELECTED TRACTS FOR A PROPOSED INCREASE IN THE CSD ZONE D (PARKWAY LANDSCAPE MAINTENANCE) ANNUAL CHARGE (Report of: Public Works Department)

Mayor Flickinger opened the public testimony portion of the public hearing; there being none, public testimony was closed.

Recommendation: That the City Council:

1. Acting in their capacity as President and Members of the Board of Directors of the CSD ("CSD Board"), after conducting the public hearing: direct the City Clerk to tabulate the returned ballots for the proposed increase in the CSD Zone D annual charge for Tracts 12773, 19210, 19937, 20404, 20579, 20718, 21113, 21333, 21597, 22889, 28882, 31257, 31269-1, and 32018;

Mayor Flickinger announced the ballot tabulation would be held in the public lobby of the Council Chamber in the interest of open government.

Item continued to a later time in the Council meeting to give the City Clerk the opportunity to tabulate the ballots.

Motion to Approve by m/Board Member Richard A. Stewart, s/Board Member William H. Batey II
Approved by a vote of 5-0.

2. Verify and accept the results of the mail ballot proceedings as identified on the Official Tally Sheet;

Motion to Approve by m/Board Member William H. Batey II, s/Board Member Richard A. Stewart
Approved by a vote of 5-0.

3. Receive and file with the City Clerk's office the accepted CSD Official Tally Sheet; and

Motion to Approve by m/Board Member William H. Batey II, s/Board Member Richard A. Stewart
Approved by a vote of 5-0.

4. If approved, authorize and impose the proposed increase in the CSD Zone D annual charge for Tracts 12773, 19210, 19937, 20404, 20579, 20718, 21113, 21333, 21597, 22889, 28882,

31257, 31269-1, and 32018.

Rescind Motion to Approve Joint Consent Calendar Items A1 – D2 so as to allow for Public Comments by m/Council Member William H. Batey II, s/Council Member Jesse Molina
Approved by a vote of 5-0.

Mayor Flickinger opened the agenda items for the Consent Calendars for public comments, which were received from David Marshall (A4) and Pete Bleckert (A9, 12, 22)

Motion to Approve Joint Consent Calendar Items A1 – D2 by m/William H. Batey II, s/Richard A. Stewart
Approved by a vote of 5-0.

- E.2 A PUBLIC HEARING REGARDING A GENERAL PLAN AMENDMENT (PA06-0185) AND CHANGE OF ZONE (PA06-0184) TO CHANGE THE LAND USE FROM BUSINESS PARK (BP) TO RESIDENTIAL 5 (R5), TENTATIVE TRACT MAP 34748 (PA06-0183); A PROPOSAL FOR A 135 SINGLE-FAMILY RESIDENTIAL LOT SUBDIVISION ON 40 ACRES, AND A VARIANCE (P09-102) COVERING RETAINING WALLS ON FOUR LOTS (LOT NUMBERS 37, 38, 39 AND 40) THAT ARE OVER THREE FEET IN HEIGHT. THE PROJECT IS LOCATED AT THE SOUTHEAST CORNER OF HEACOCK STREET AND GENTIAN AVENUE. APPLICANT IS RADOS TENANTS IN COMMON (Report of: Community Development Department)

Mayor Flickinger opened the public testimony portion of the public hearing; there being none, public testimony was closed.

Recommendation: That the City Council:

1. ADOPT a Negative Declaration for applications for PA06-0185 (General Plan Amendment), PA06-0184 (Change of Zone), PA06-0183 (Tentative Tract Map) and P09-102 (Variance). The projects, individually and cumulatively, will not result in a significant effect on the environment;

Motion to Approve by m/Council Member Richard A. Stewart, s/Mayor Bonnie Flickinger
Approved by a vote of 5-0.

2. APPROVE Resolution No. 2010-73 approving PA06-0185, thereby establishing General Plan Land Use Map designations for certain properties as described in the Resolution, and the revised General Plan Maps as attached to the Resolution as Exhibit A;

Resolution No 2010-73

A Resolution of the City Council of the City of Moreno Valley, California, approving an Amendment to the General Plan Land Use Element (PA06-0185) to change the Land Use Designation from Business Park to Residential 5 (R5) for the approximately 40 acres located within Assessor's Parcel Numbers 485-230-025 and 485-230-026, located at the southeast corner of Heacock Street and Gentian Avenue

Motion to Approve by m/Council Member Richard A. Stewart, s/Mayor Bonnie Flickinger
Approved by a vote of 5-0.

3. INTRODUCE Ordinance No. 813 approving a Zone Change (PA06-0184) from Business Park (BP) to Residential 5 (R5), based on the findings in the Ordinance, and the revised Zoning Atlas page as attached to the ordinance as Exhibit A; and

Ordinance No. 813

An Ordinance of the City Council of the City of Moreno Valley, California, approving PA06-0184 (Zone Change) to change the Land Use District for approximately 40 acres from Business Park to Residential 5 (R5) for the approximately 40 acres located within Assessor's Parcel Numbers 485-230-025 and 485-230-026, located at the southeast corner of Heacock Street and Gentian Avenue

Motion to Approve by m/Council Member Richard A. Stewart, s/Mayor Bonnie Flickinger
Approved by a vote of 5-0.

4. APPROVE Resolution No. 2010-74 approving Tentative Tract Map No. 34748 (PA06-0183) and Variance (P09-102), based on the findings in the Resolution, and the conditions of approval as attached to the resolution as Exhibit A.

Resolution No 2010-74

A Resolution of the City Council of the City of Moreno Valley, California, approving Tentative Parcel Map 34748 (PA06-0183) and Variance (P09-102). The project is located at the southeast corner of Heacock Street and Gentian Avenue (Assessor's Parcel Numbers 485-230-025 and 485-230-026)

**Motion to Approve by m/Council Member Richard A. Stewart,
s/Mayor Bonnie Flickinger
Approved by a vote of 5-0.**

- E.3 PUBLIC HEARING FOR THE REVIEW OF THE 2010-2015 IMPLEMENTATION PLAN OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (Report of: Economic Development Department)

Chairperson Flickinger opened the public testimony portion of the public hearing; which was received from Deanna Reader.

Recommendation: That the RDA:

1. Conduct a public hearing for the review of the 2010-2015 Implementation Plan; and
2. Approve the proposed 2010-2015 Implementation Plan.

**Motion to Approve by m/Agency Member Richard A. Stewart,
s/Agency Member William H. Batey II
Approved by a vote of 5-0.**

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

G. REPORTS

- G.1 THIRD AMENDED AND RESTATED NEGOTIATION AGREEMENT FOR AN AFFORDABLE HOUSING DEVELOPMENT AT THE NORTHEAST CORNER OF ALESSANDRO BOULEVARD AND DAY STREET (Report of: Economic Development Department)

Chairperson Flickinger opened the agenda item for Item G1 for public comments, which were received from Pete Bleckert.

Recommendation: That the RDA:

Approve the Third Amended and Restated Negotiation Agreement to extend the term of the existing Negotiation Agreement between the Community Redevelopment Agency Board of the City of Moreno Valley (RDA) and Palm Desert Development Company (PDDC) for an affordable housing development project to be situated at the northeast corner of Alessandro Boulevard and Day Street.

**Motion to Approve by m/Agency Member William H. Batey II,
s/Agency Member Jesse L. Molina
Approved by a vote of 5-0.**

AGENDA ORDER

E.1 PUBLIC HEARING TO CONSIDER PUBLIC COMMENTS REGARDING THE MAIL BALLOT PROCEEDINGS FOR SELECTED TRACTS FOR A PROPOSED INCREASE IN THE CSD ZONE D (PARKWAY LANDSCAPE MAINTENANCE) ANNUAL CHARGE (Report of: Public Works Department)

(CONTINUED FROM EARLIER IN THE MEETING)

Recommendation: That the City Council:

1. Acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), after conducting the public hearing: direct the City Clerk to tabulate the returned ballots for the proposed increase in the CSD Zone D annual charge for Tracts 12773, 19210, 19937, 20404, 20579, 20718, 21113, 21333, 21597, 22889, 28882, 31257, 31269-1, and 32018;

The ballots have been counted, and the following are the results:

Final Results for Each Tract						
Council District	Tract	Zone	Amt of Valid WBC - Yes	Amt of Valid WBC - No	Amt of Invalid WBCs	PASS/FAIL
3	12773	D	11	32	3	FAILED
4	19210	D	5	23	0	FAILED
4	19937	D	13	19	0	FAILED
4	20404	D	13	34	2	FAILED
2	20579	D	9	33	0	FAILED
4	20718	D	9	21	0	FAILED
4	21113	D	16	28	0	FAILED
2	21333	D	13	28	0	FAILED
4	21597	D	7	13	1	FAILED
4	22889	D	0	10	1	FAILED
1	28882	D	3	17	0	FAILED
2	31257	D	1	7	0	FAILED
3	31269-1	D	5	19	0	FAILED
1	32018	D	1	19	0	FAILED

G.2 AMENDMENT TO CHAPTER 11.40 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE, ORDINANCE NO. 741 AND ORDINANCE NO. CSD 52, RELATING TO THE CARRYING OF BLANK SHOOTING PISTOLS

AND THE SHOOTING OF BLANKS AT THE MORENO VALLEY EQUESTRIAN CENTER (Report of: Parks and Community Services Department)

Mayor Flickinger opened the agenda item for Item G2 for public comments, which were received from Jan Beyers, Ruth Corrao-Harris, Margie Breitkreuz, Kim Nelson, Elaine Hill, Cathy Hendrick, John Miller, Kathleen Dale, Johnnie Hendrick, John Farquharson, Greg Worley, Marcia Narog, John Schoettler, and Pete Bleckert.

Recommendation: That the City Council:

Introduce Ordinance No. 814, an Ordinance of the City of Moreno Valley, amending Section 11.40.040 of Chapter 11.40 of Title 11 of the City of Moreno Valley Municipal Code, relating to the carrying of blank shooting pistols and the shooting of blanks at the Moreno Valley Equestrian Center; and

Ordinance No. 814

An Ordinance of the City of Moreno Valley, California, amending Section 11.40.040 of Chapter 11.40 of Title 11 of the City of Moreno Valley Municipal Code, Relating to the Carrying of Blank Shooting Pistols and the Shooting of Blanks at the Moreno Valley Equestrian Center

Motion to Approve by m/Mayor Pro Tem Robin N. Hastings, s/Council Member William H. Batey II
Approved by a vote of 5-0.

Recommendation: That the CSD:

Introduce Ordinance No. CSD 54, an Ordinance of the Moreno Valley Community Services District of the City of Moreno Valley, amending Section 5e of Ordinance No. CSD 52, relating to the carrying of blank shooting pistols and the shooting of blanks at the Moreno Valley Equestrian Center.

Ordinance No. CSD 54

An Ordinance of the Moreno Valley Community Services District, of the City of Moreno Valley, California, amending Section 5e of Ordinance No. CSD 52, Relating to the Carrying of Blank Shooting Pistols and the Shooting of Blanks at the Moreno Valley Equestrian Center

Motion to Approve by m/Mayor Pro Tem Robin N. Hastings, s/Council Member William H. Batey II

Approved by a vote of 5-0.

After a brief recess, the meeting resumed at 9:24 p.m.

AGENDA ORDER

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

June Patterson

1. Relay for Life

Jose Chavez

1. Protecting the community
2. Taxes
3. Moreno Valley Community Park

Raul Wilson

1. Congratulate Jesse Molina
2. Skechers
3. Equestrian Park
4. Budget

Pete Bleckert

1. Glad Districts all failed
2. Why people don't vote
3. Intersections
4. Eastbound ramp on Hwy 60
5. Where is the \$2,000,000 coming from
6. Signs

Erica Hopkins

1. Unity Fest

James Dudley

1. 12,563 votes were counted
2. Unions create good paying jobs

G.3 PARTICIPATION AGREEMENT WITH PACIFIC WINGS INC. (Report of: Economic Development Department)

Mayor Flickinger opened the agenda item for Item G3 for public comments, which were received from Pete Bleckert.

Recommendation: That the City Council:

Approve a Participation Agreement with Pacific Wings Inc. to assist in

the development of a Buffalo Wild Wings Grill & Bar as part of the CDBG-Recovery program.

Motion to Approve by m/Council Member William H. Batey II, s/Council Member Richard A. Stewart
Approved by a vote of 5-0.

- G.4 PA07-0090 – ACCEPT THE AGREEMENT AND SECURITY FOR THE REDLANDS ELECTRICAL AND ROUGH GRADING RELATED TO THE INSTALLATION OF THE REDLANDS SEWER IMPROVEMENTS ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET; DEVELOPER: HF LOGISTICS – SKX T1, LLC, MORENO VALLEY, CA 92553 (Report of: Public Works Department)

Mayor Flickinger opened the agenda item for Item G4 for public comments; there being none, public comments were closed.

Recommendation:

1. Accept the Agreement and Bond Securities for the Redlands Electrical Improvements and Rough Grading related to the installation of the Redlands sewer improvements associated with the Highland Fairview Logistics Corporate Park;
2. Authorize the Mayor to execute the Agreement contingent upon the developer providing the City with the fully executed original bonding certificates and approval of the same from the Risk Management Division;
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation; and
4. Authorize the Public Works Director/City Engineer to execute any future time extensions, amendments to the agreement, subject to City Attorney approval, if the required electrical and rough grading related to the installation of the Redlands sewer improvements within Redlands Boulevard are not completed within said timeframe.

Motion to Approve as amended with Recommendation #2 to include approval of bonds by City Attorney and City Engineer in addition to Risk Management Division by m/Council Member Richard A. Stewart, s/Council Member William H. Batey II
Approved by a vote of 5-0.

- G.5 PA07-0090 – ACCEPT THE SUBSTITUTION AGREEMENT AND REPLACEMENT BONDS FOR LINE ‘F’ STORM DRAIN SECURITY ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET; DEVELOPER: HF LOGISTICS – SKX T1, LLC, MORENO VALLEY, CA 92553 (Report of: Public Works Department)

Mayor Flickinger opened the agenda item for Item G5 for public comments, which were received from Deanna Reader.

Recommendation:

1. Accept the Substitution Agreement and replacement bonds for the Line ‘F’ Storm Drain Improvements associated with the Highland Fairview Logistics Corporate Park;
2. Authorize the Mayor to execute the Substitution Agreement and the replacement bonds contingent upon the Developer providing the City with the fully executed original bonding certificates and approval of the same from the Risk Management Division;
3. Direct the City Clerk to forward the signed Substitution Agreement to the County Recorder’s Office for recordation;
4. Authorize the Public Works Director/City Engineer to exonerate the cash security previously placed into an escrow account and submitted by HF Logistics – SKX T1, LLC, upon acceptance of the substitution agreement and bonds; and
5. Authorize the Public Works Director/City Engineer to execute any future time extensions, amendments to the agreement, subject to City Attorney approval, if the required storm drain improvements are not completed within said timeframe.

Motion to Approve as amended with Recommendation #2 to include approval of bonds by City Attorney and City Engineer in addition to Risk Management Division by m/Council Member William H. Batey II, s/Council Member Richard A. Stewart
Approved by a vote of 5-0.

- G.6 AMENDMENT TO THE JUNE 22, 2010, MOTION OF THE CITY COUNCIL AUTHORIZING AN AGREEMENT WITH HIGHLAND FAIRVIEW FOR ISSUANCE OF A LIMITED PURPOSE BUILDING PERMIT (Report of: Council Members Stewart and Molina)

Mayor Flickinger opened the agenda item for Item G6 for public comments,

which were received from Iddo Benzeevi, Kathleen Dale, Kenneth Bley, Joe Hopper, Mike Calhoun, Robert Walker, Roger Roper, William Percy, Deanna Reader, and Raul Wilson.

After a brief recess, the meeting resumed at 10:22 p.m.

Motion to Approve continuing the meeting past 11:00 p.m. by m/Council Member William H. Batey II, s/Council Member Richard A. Stewart
Approved by a voice vote.

Motion to amend action taken by the City Council on June 22, 2010 approving and accepting Highland Fairview's Covenant to hold as one parcel subject to certain conditions as follows: by m/Council Member Richard A. Stewart, s/Council Member Jesse L. Molina
Approved by a vote of 4-0-1, Mayor Pro Tem Robin N. Hastings absent.

1. That this activity is not a "project" under CEQA Guidelines Section 15378, and none of the conditions described in Section 15162 of the CEQA Guidelines have occurred that would warrant a subsequent Environmental Impact Report or an addendum to the Environmental Impact Report. Further, the City Council finds that the absence of any change in the project, the absence of any change in the circumstances under which the project is being undertaken, the absence of any new information which would bring into question the adequacy of the Environmental Impact Report, the fact that all of the project impacts were analyzed fully in the Environmental Impact Report and the fact that all mitigation measures must be satisfied prior to the building's completion means that there is no need for further environmental review.
2. That the terms and conditions are amended to provide that, prior to issuance of a limited purpose building permit for foundation, slab and pouring of wall panels only, Highland Fairview shall comply with all conditions of approval for issuance of a building permit except as follows, which excepted conditions shall be complied with as provided for in applicable City Council Resolutions, Approval and/or Recording of the final Parcel Map, or issuance of the general building permit, whichever is applicable. The excepted conditions are:
 - a. Final approval and recording of the Parcel Map,
 - b. Public Improvement Agreements and security for same for any public improvement occurring solely on private property owned or controlled by Highland Fairview,

- c. Payment of Development Impact Fees and Transportation Uniform Mitigation Fees are deferred until issuance of any temporary, conditional or unconditional certificate of occupancy for the Skechers building as provided for in City Council Resolutions 2009-37 and 2009-38,
 - d. Payment of Multiple Species Habitat Conservation Plan fees,
 - e. Approval of Building Plans for vertical construction,
 - f. Public Drainage easements,
 - g. Slope easements,
 - h. Reciprocal Access easements,
 - i. Spreading Basin easement,
 - j. Off-site easements,
 - k. Median Landscape Plans approval,
 - l. Final Trail Plan approval,
 - m. Site Lighting Plan,
 - n. Title 24 Plans,
 - o. Solar Panels for Phase 1 Office,
 - p. Payment of School fees, contingent upon Highland Fairview providing the City with written agreement from the Moreno Valley Unified School District for deferral of school fees until issuance of the general building permit, and
 - q. Fire Access Plan.
3. All other terms, conditions and actions pursuant to this matter taken by the City Council on June 22, 2010, shall remain unchanged and in full force and effect.

G.7 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

Defer and printed in the City Manager's Report.

H. LEGISLATIVE ACTIONS

H.1 ORDINANCES - 1ST READING AND INTRODUCTION – NONE

H.2 ORDINANCES - 2ND READING AND ADOPTION – NONE

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, OR COMMUNITY REDEVELOPMENT AGENCY

Council Member William H. Batey II

- 1) Habitat for Humanity raised the walls on a house on Saturday, July 10. Commended John Terrell and the city employees for giving up their Saturday to help a family in need.

Council Member Richard A. Stewart

- 1) Need to do a top to bottom review of our policies. Need to look at the changes the County made.
- 2) Large projects need to be put in a different category.
- 3) The City staff is appreciated.
- 4) Council is not doing anything untoward to get the Highland Fairview project done.

Mayor Bonnie Flickinger

- 1) The July 4 celebration was very exciting and looking forward to working on Plans B and C to hold it next year. Council is open to any suggestions.
- 2) For people who are struggling with the economy, there is a low income utility tax exemption so there is no tax on any of your utility bills. Contact Michelle Vega.
- 3) ERC is open 4 days a week.
- 4) This is an election year. Two council seats are open. If you are interested in running, pull papers and return them by August 5. There are three ballot measures.

Council Member Jesse Molina

- 1) Things have been hard on everyone. It's nothing personal. If you think I'm out of line let me know.

- 2) Las Cruces had their July 4 parade in the evening.
- 3) Keep up the good work.

CLOSED SESSION

**PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA
UNDER THE JURISDICTION OF THE CITY COUNCIL**

- a) Agency Representative: William Bopf
Employee Organization: MVCEA
 - b) Agency Representative: William Bopf
Employee Organization: MVMA
 - c) Agency Representative: William Bopf
Employee Organization: Moreno Valley Confidential
Management Employees
- a) City Manager Recruitment

REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY

No reportable action.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 11:19 p.m. by unanimous informal consent.

Submitted by:

Jane Halstead, City Clerk, CMC
Secretary, Moreno Valley Community Services District
Secretary, Community Redevelopment Agency of the City of Moreno Valley
Secretary, Board of Library Trustees

Approved by:

Bonnie Flickinger
President, Moreno Valley Community Services District
Chairperson, Community Redevelopment Agency of the City of Moreno Valley

Chairperson, Board of Library Trustees



Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: August 24, 2010

TITLE: CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES

RECOMMENDED ACTION

Staff recommends that the City Council receive and file the Reports on Reimbursable Activities for the period of July 7, 2010 – August 17, 2010.

<i>Reports on Reimbursable Activities</i> July 7, 2010 – August 17, 2010		
Council Member	Date	Meeting
William H. Batey II		None
Bonnie Flickinger	7/12/10	League of California Cities Riverside County Division General Meeting
	8/3/10	Moreno Valley Hispanic Chamber of Commerce Adelante
Robin N. Hastings		None
Jesse L. Molina	7/12/10	League of California Cities Riverside County Division General Meeting
	7/28/10	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley
Richard A. Stewart	7/12/10	League of California Cities Riverside County Division General Meeting

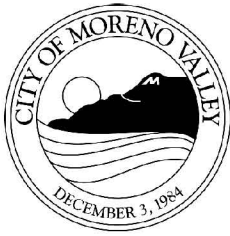
Prepared By:
Cindy Miller
Executive Assistant to the Mayor/City Council

Department Head Approval:
Jane Halstead
City Clerk

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Rest</i>
CITY MANAGER	<i>WAB</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: APPROVE AND ADOPT RESOLUTION NO. 2010-75 ELECTING TO HEAR FUTURE RESOLUTIONS OF NECESSITY FOR THE STATE ROUTE 60/MORENO BEACH DRIVE IMPROVEMENTS PROJECT (MORENO BEACH PROJECT) AND DESIGNATION OF THE CITY'S SPECIAL EMINENT DOMAIN COUNSEL TO PROCESS RESOLUTION OF NECESSITY PACKAGES FOR THE PROJECT -- PROJECT NO. 07-41570024

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Approve and adopt the proposed Resolution Electing to Hear Future Resolutions of Necessity for the State Route 60/Moreno Beach Drive Improvements Project and Designation of the City's Special Eminent Domain Counsel to Process Resolution of Necessity Packages for the Project.
2. Authorize and direct the Public Works Director/City Engineer to deliver the resolution together with other required information and documents with respect to the City's Special Eminent Domain Counsel and to provide other related materials to Caltrans as required.

BACKGROUND

The overall purpose of the SR-60/Moreno Beach Drive Improvements Project is to provide operational improvements to facilitate movement at and near the SR-60/Moreno Beach Drive Interchange, alleviate existing traffic congestion, increase storage capacity and to address the existing roadway and bridge deficiencies at this interchange. This project is needed to improve safety, bring the bridge features up to current standards, and provide acceptable levels of service along the facility.

On March 14, 2006, the City Council approved an Agreement to Reimburse Transportation Uniform Mitigation Fee (TUMF) Funds between Western Riverside Council of Governments (WRCOG) and the City of Moreno Valley for Moreno Beach Drive/SR-60 Interchange.

On September 25, 2007, the City Council authorized execution of a Project Development Cooperative Agreement with the State of California for project development activities including final design, utility relocation engineering, and right-of-way acquisition.

On May 13, 2008, the City Council awarded an "Agreement for Professional Consultant Services" to Parsons Transportation Group for design, right-of-way engineering, and construction support services.

DISCUSSION

The City has been progressing in the steps necessary for the acquisition of right-of-way, utility relocation and other necessary steps to complete the design of the SR-60/Moreno Beach Drive Improvements Project. Project plans are 95% complete, and right-of-way engineering and appraisals are under way. The goal is to continue right-of-way acquisition using all available TUMF funds.

Caltrans, pursuant to the Project Development Cooperative Agreement and the Caltrans Right- of-Way Manual, Section 17.04.09.01, requires that the City Council of Moreno Valley adopt a resolution to later hear Resolutions of Necessity for the project and subsequently submit them to Caltrans for approval. A Resolution of Necessity is a required resolution authorizing condemnation of property necessary for the project and the filing an eminent domain action to acquire said property through condemnation. Caltrans requires the local entity (the City) to obtain prior approval on a project-by-project basis from Caltrans before proceeding to hear Resolutions of Necessity for the State Route 60/Moreno Beach Drive Improvements Project. Adoption of the proposed resolution does not commit the City Council to hear future Resolutions of Necessity to acquire property necessary for the project or to adopt future Resolutions of Necessity to acquire property necessary for the project by condemnation. Appraisals are under way and negotiations have not begun. Therefore, at this time, staff does not anticipate any condemnation actions. Due to the lead time required for Caltrans approval of this action, staff recommends adopting this resolution at this time in the event that Resolutions of Necessity become necessary.

The City has retained the law firm of Singer & Coffin, APC to act as its Special Eminent Domain Counsel to prepare, review, process and approve Resolution of Necessity packages for the project in the event that Resolutions of Necessity become necessary in the future.

ALTERNATIVES

1. Approve and adopt the proposed Resolution Electing to Hear Future Resolutions of Necessity for the State Route 60/Moreno Beach Drive Improvements Project and Designation of the City’s Special Eminent Domain Counsel to Process Resolution of Necessity Packages for the Project and authorize and direct the Public Works Director/City Engineer to deliver the resolution together with other required information and documents with respect to the City’s Special Eminent Domain Counsel and to provide other related materials to Caltrans as required. *This alternative will allow necessary approvals to be in place so the project continues to proceed without interruption.*

2. Do not approve and adopt the proposed Resolution Electing to Hear Future Resolutions of Necessity for the State Route 60/Moreno Beach Drive Improvements Project and Designation of the City’s Special Eminent Domain Counsel to Process Resolution of Necessity Packages for the Project and do not authorize and do not direct the Public Works Director/City Engineer to deliver the resolution together with other required information and documents with respect to the City’s Special Eminent Domain Counsel and to provide other related materials to Caltrans as required. *This alternative may delay the construction of needed improvements.*

FISCAL IMPACT

There is no fiscal impact related to the adoption of this resolution. The project is currently funded by Transportation Uniform Mitigation Fees (Fund 415 – TUMF). These funds have been allocated for the SR-60/Moreno Beach Drive Improvements project and cannot be utilized for operational activities. There is no impact to the General Fund.

FY 2010/2011 AVAILABLE FUNDS

TUMF Funds for SR-60/Moreno Beach Interchange (Account 415.70024)....	<u>\$ 4,096,000</u>
Available Funds	\$ 4,096,000

FY 2010/2011 ESTIMATED COST

SR-60/Moreno Beach Interchange Design and Right-of-Way	<u>\$4,000,000</u>
Estimated Total	\$4,000,000

ANTICIPATED PROJECT SCHEDULE

Complete Design and Right-of-Way**	October 2011
Begin Construction**	October 2012

** Contingent upon available funding

CITY COUNCIL GOALS

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley's future.

SUMMARY

The City Council is asked to adopt the proposed Resolution in order to later hear Resolutions of Necessity should acquisition through condemnation become necessary for the SR 60/Moreno Beach Drive Improvements Project.

ATTACHMENTS/EXHIBITS

Attachment "A" – Proposed Resolution of the City of Moreno Valley Electing to Hear Future Resolutions of Necessity for the State Route 60/Moreno Beach Drive Improvements Project and Designation of the City's Special Eminent Domain Counsel to Process Resolution of Necessity Packages for the Project

Prepared By:
Margery A. Lazarus
Senior Engineer, P.E.

Department Head Approval:
Chris A. Vogt, P.E.
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2010-75

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY ELECTING TO HEAR FUTURE RESOLUTIONS OF NECESSITY FOR THE STATE ROUTE 60/MORENO BEACH DRIVE IMPROVEMENTS PROJECT AND DESIGNATION OF THE CITY'S SPECIAL EMINENT DOMAIN COUNSEL TO PROCESS RESOLUTION OF NECESSITY PACKAGES FOR THE PROJECT

WHEREAS, the City of Moreno Valley ("City") is empowered to acquire by eminent domain any property to carry out its powers or functions pursuant to Government Code Sections 37350, 37350.5 and 40404 and Code of Civil Procedure Section 1240.110; and

WHEREAS, property may properly be acquired by eminent domain for state highway purposes pursuant to Streets and Highways Code Section 102; and

WHEREAS, City has approved the design of State Route 60/Moreno Beach Drive Improvements and also previously approved a Project Development Cooperative Agreement with the State of California for said project, a project on the State of California Highway System. The Cooperative Agreement with the State of California Department of Transportation ("Caltrans") provides that City will perform right-of-way activities as set forth in the Cooperative Agreement for said project; and

WHEREAS, all local public agency projects on the State of California Highway System, within the existing or proposed State of California rights-of-way, are subject to the requirements of the Caltrans Right-of-Way Manual, and recently adopted provisions of the Caltrans Right-of-Way Manual now require a City Council to pass a resolution by a two-thirds vote, making an election to hear all the Resolutions of Necessity for the project; and

WHEREAS, City will follow State statute requirements and the Caltrans Right-of-Way Manual processes in the issuance of the Notice of Intent to adopt a Resolution of Necessity and in the adoption of a Resolution of Necessity, and the City's Special Eminent Domain Counsel is designated to process and approve the resolution package(s).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Moreno Valley, by a two-thirds vote, will hear the Resolutions of Necessity associated with the construction of the State Route 60/Moreno Beach Drive Improvements Project.

Attachment "A"

Resolution No. 2010-_____

Date Adopted: _____

BE IT FURTHER RESOLVED that City designates the law firm of Singer & Coffin, APC, as its Special Eminent Domain Counsel to prepare, review, process and approve the Resolution of Necessity packages for this project.

APPROVED AND ADOPTED this ____ day of _____, 2010.

By:

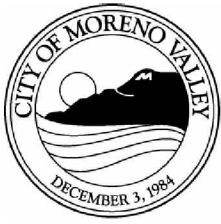
Bonnie Flickinger, Mayor

ATTEST:

By: _____
Jane Halstead, City Clerk

APPROVED AS TO FORM:

By: _____
Bob Hansen, City Attorney



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Rest</i>
CITY MANAGER	<i>WDS</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: TRACT MAP 32625 – REDUCE FAITHFUL PERFORMANCE BOND AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING MCABEE AVENUE, MOLSON COURT, ALTIVO STREET, KENDA COURT AND THE PORTIONS OF COTTONWOOD AVENUE AND REDLANDS BOULEVARD ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM

DEVELOPER – MERITAGE HOMES OF CALIFORNIA, INC.
5161 CALIFORNIA, SUITE 200
IRVINE, CA 92617

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Adopt Resolution No. 2010-76 authorizing the acceptance of the public improvements within Tract Map 32625 as complete and accepting McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the portions of Cottonwood Avenue and Redlands Boulevard associated with the project into the City's maintained street system.
2. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

BACKGROUND

Tract Map 32625 is a 20-lot single family residential development at the southwest corner of Cottonwood Avenue and Redlands Boulevard that was conditionally approved requiring construction of certain public improvements. The public improvements included asphalt paving, curb, gutter, sidewalk, driveway approaches, landscaping, street lights, trail, storm drain, sewer, and water facilities. Those improvements received on-going inspection during the construction process. Upon completion of the improvements, Public Works/Land Development performed an inspection, and a punch list was generated. The required corrective actions have been completed, and the improvements are now eligible for acceptance into the City's maintained street system.

DISCUSSION

The completed improvements have received a final inspection, and the improvements were completed in accordance with the approved plans and the standards of the City of Moreno Valley. In accordance with the Streets and Highway Code, the method for acceptance of improvements, per Section 1806, (a), and (b), is by action of the governing body, by resolution. It is therefore appropriate to accept those improvements into the City's maintained street system and to provide a 90% reduction to the Faithful Performance Bond of \$3,084,000 issued by Arch Insurance Company. Ninety days after City Council approves the Faithful Performance Bond reduction, the Material and Labor Bond will be exonerated by the City Engineer provided there are no stop notices or liens on file with the City Clerk. The remaining 10% of the bond will be held for the one-year guarantee and warranty period. At the end of the guarantee and warranty period the bond will be released by the City Engineer subject to completion of any defective work that may have appeared during this period.

ALTERNATIVES

1. Adopt the proposed Resolution authorizing the acceptance of the public improvements within Tract Map 32625 as complete and accepting McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the portions of Cottonwood Avenue and Redlands Boulevard associated with the project into the City's maintained street system. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received. *The required improvements have been completed*

according to City of Moreno Valley Standards and therefore should be included in the City's maintained street system.

2. Do not adopt the proposed Resolution authorizing the acceptance of the public improvements within Tract Map 32625 as complete and accepting McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the portions of Cottonwood Avenue and Redlands Boulevard associated with the project into the City's maintained street system. Do not authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received. *The required improvements have been completed according to City of Moreno Valley Standards and therefore should be included in the City's maintained street system.*

FISCAL IMPACT

The acceptance of these street improvements into the City's maintained street system will create an additional fiscal impact to the street maintenance program of the City (Fund 121-Gas Tax, Fund 125-Measure "A", and Fund 152-NPDES. Fund 121 is restricted to the construction and maintenance of streets and roadways. Fund 125 is restricted for transportation projects only for the purposes of construction, maintenance and operation of streets and roadways. The County Service Area (CSA) levy collected from property owners support current NPDES Permit programs and reduce the level of General Fund support necessary to remain in compliance with unfunded federal mandates, as administered by the State. Funds collected from the CSA 152 annual levy are restricted for use only within the Storm Water Management program).

CITY COUNCIL GOALS

Not applicable

NOTIFICATION

Publication of agenda

EXHIBITS

Exhibit "A" - Vicinity Map

Exhibit "B" - Proposed Resolution

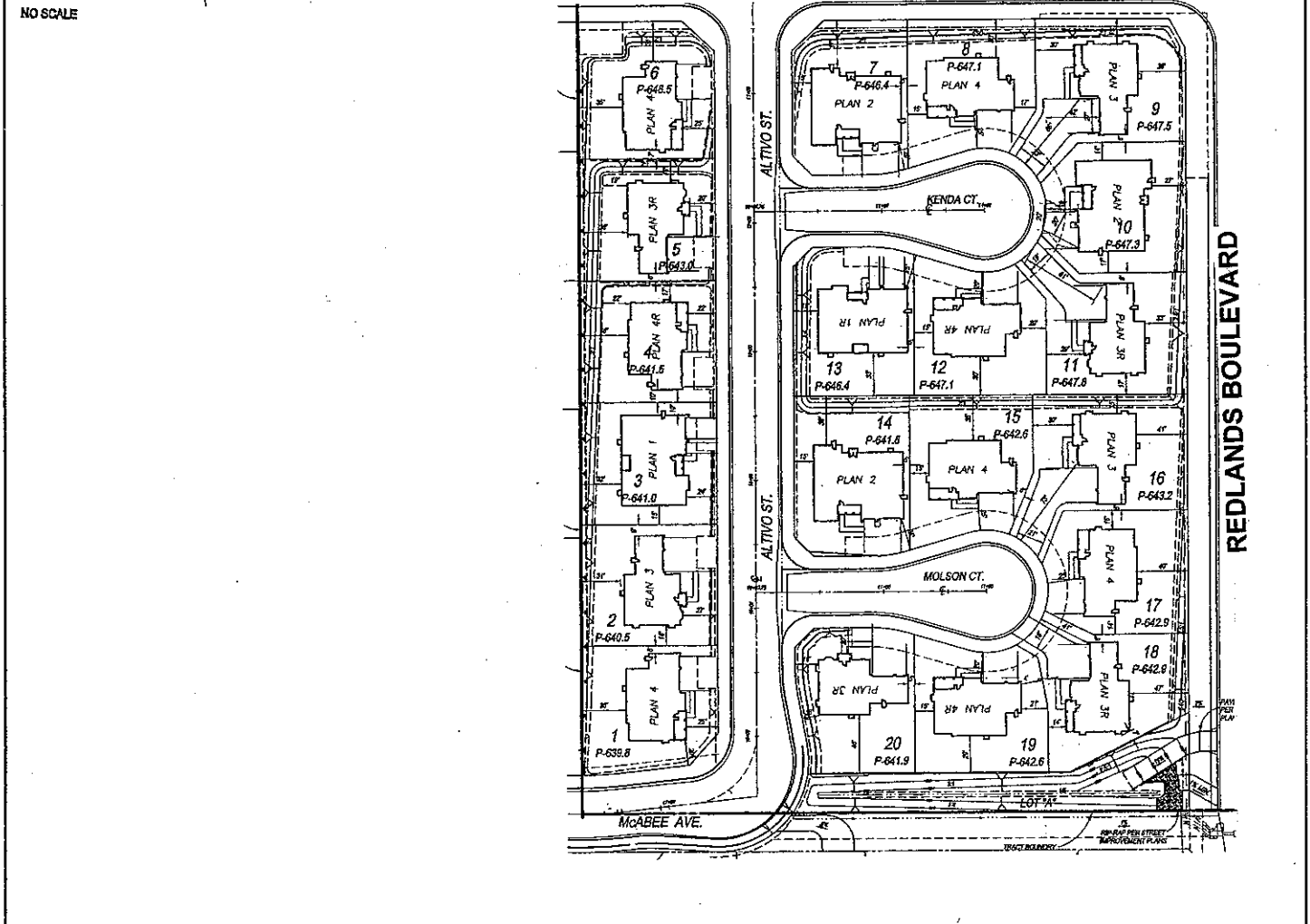
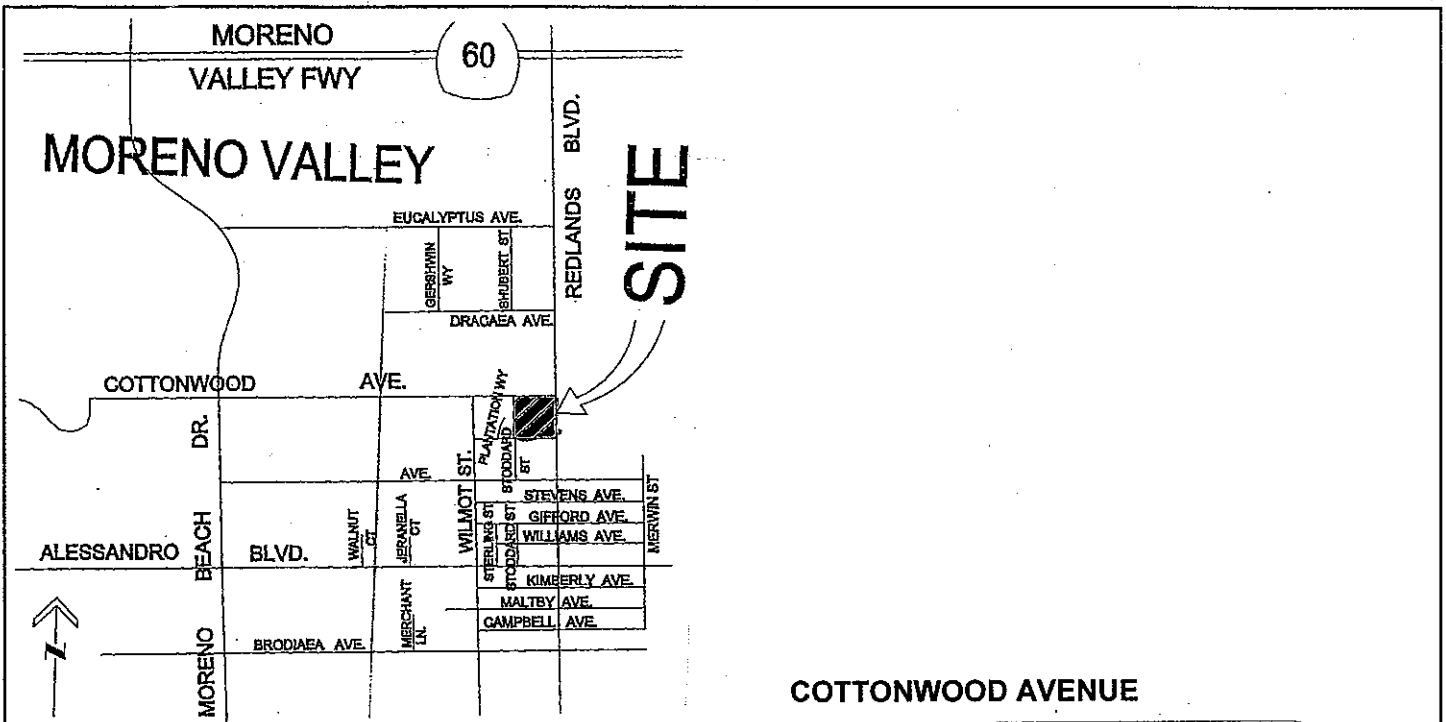
Prepared By
Anitra N. Holt
Management Analyst

Department Head Approval
Chris A. Vogt, P.E.
Public Works Director/City Engineer

Concurred By
Mark W. Sambito, P.E.
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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CITY OF MORENO VALLEY
PUBLIC WORKS - LAND DEVELOPMENT
 Exhibit A

TRACT 32625
VICINITY MAP

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RESOLUTION NO. 2010-76

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE WITHIN TRACT MAP 32625 AND ACCEPTING MCABEE AVENUE, MOLSON COURT, ALTIVO STREET, KENDA COURT AND THE PORTIONS OF COTTONWOOD AVENUE AND REDLANDS BOULEVARD ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM

WHEREAS, the City Engineer has determined that the public improvements constructed by Meritage Homes of California, Inc. on McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the portions of Cottonwood Avenue and Redlands Boulevard associated with the project were constructed according to the approved plans on file with the City of Moreno Valley, and

WHEREAS, the City Engineer has determined that those improvements were inspected during construction and were completed in an acceptable manner, and

WHEREAS, the City Engineer has requested that the City Council authorize the acceptance of said public improvements as complete within Tract Map 32625 and accept McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the portions of Cottonwood Avenue and Redlands Boulevard associated with the project into the City's maintained street system, and

WHEREAS, it is in accordance with Streets and Highway Code, Section 1806, (a) and (b), for City Council to perform this action by resolution,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moreno Valley that the public improvements within Tract Map 32625 are complete, and McAbee Avenue, Molson Court, Altivo Street, Kenda Court and the portions of Cottonwood Avenue and Redlands Boulevard associated with the project are accepted into the City's maintained street system.

APPROVED AND ADOPTED this 24th day of August, 2010.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT "B"

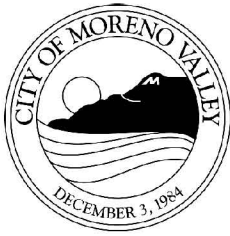
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Resolution No. 2010-_____
Date Adopted: August 24, 2010

RESOLUTION JURAT

[Clerk's office will prepare]

[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Rest</i>
CITY MANAGER	<i>WVB</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: SECOND AMENDMENT TO AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR SR-60/NASON STREET INTERCHANGE IMPROVEMENTS PROJECT – PROJECT NO. 98-25897

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Approve the Second Amendment to Agreement for Professional Consultant Services with TCM Group (TCM), 3130-B Inland Empire Boulevard, Ontario, CA 91764 to provide construction management and inspection services for SR-60/Nason Street Interchange Improvements.
2. Authorize the City Manager to execute said Second Amendment to Agreement for Professional Consultant Services with TCM in the form attached hereto.
3. Authorize a Change Order to increase the Purchase Order with TCM by the amount of \$1,414,807 when the amendment has been signed by all parties (Account No. 125.89720) and extend the contract termination date from December 31, 2011 to December 31, 2012.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor amendments to the contract with TCM subject to the approval of the City Attorney.

BACKGROUND

The overall purpose of the SR-60/Nason Street Interchange Improvements Project is to improve the SR-60/Nason Street interchange ramps through reconstruction and realignment, while providing a design that accommodates future bridge improvements.

This project is within the State of California's (Caltrans) jurisdiction and, therefore, is subject to Caltrans procedures and requirements. On October 30, 2003, the environmental document, which is a Categorical Exemption/Categorical Exclusion (CE/CE), was approved by Caltrans and the Federal Highway Administration (FHWA).

In closed sessions on October 7, 2008 and November 4, 2008, the City Council approved appraisals for the fair market value of the right of way for all properties to be acquired, and the City Council authorized staff to proceed with negotiations to purchase the fee and easement interests. On August 25, 2009, the Council authorized a Resolution of Necessity should condemnation become necessary. On January 13, 2010, Caltrans certified that all right-of-way needed to construct the project had been obtained.

In 2008 the City solicited proposals for professional program management and construction management services to assist with utility negotiations, advance utility relocations, and other program management-related activities and to provide construction management and inspection services. The RFP required firms to submit proposals on the program management (Phase 1), utility relocation (Phase 2), and construction (Phase 3) phases with the intent that one firm would execute the project from start to finish. On October 14, 2008, the City Council awarded a contract to TCM Group and authorized the issuance of a purchase order for Phases 1 and 2 (program management and utility relocation). Phase 3 would be awarded at a later time upon the successful completion of Phase 1 and 2 work and the availability of funds.

On February 24, 2009, the City entered into a Construction Cooperative Agreement that establishes the City's and Caltrans' responsibilities during the construction phase of the project. On February 23, 2010, the City Council authorized the City Manager and Public Works Director to approve future amendments to the Agreement.

In April 2009, the agreement with TCM was amended to reduce TCM's scope of work associated with the relocation of Eastern Municipal Water District's waterline along State Route 60 to Fir Avenue. EMWD administered the construction work instead of the City, thereby saving time and money for the project.

On June 22, 2010, the City Council approved the FY 2010/2011 CIP budget, which also included the necessary appropriations to fund the construction of the SR-60/Nason Street Interchange Improvements Project.

DISCUSSION

Design, right-of-way acquisition, and advance relocation of utility facilities are now complete. Caltrans is completing the federal fund authorization process. It is anticipated the City will be authorized to advertise for bids by August 2010. Construction is anticipated to begin by December 2010 and be completed by December 2011.

TCM Group has successfully completed Phases 1 (program management) and 2 (utility relocation) of their scope of work. The contract with TCM needs to be amended to add the third phase of the proposed work for construction support services (construction management and inspection services) in order to be ready for the construction phase as soon as the phase is authorized by Caltrans.

The Construction Cooperative Agreement with Caltrans requires the City to provide a qualified Resident Engineer and inspection staff who have been approved by Caltrans. TCM received that approval for this project in September 2008. City staff and inspectors will oversee TCM's work.

Additionally, staff is requesting the contract termination date be extended from December 31, 2011 to December 31, 2012 to cover the construction warranty period. The revised contract total, including the Second Amendment, is \$2,032,460.

ALTERNATIVES

1. Approve the Second Amendment to Agreement for Professional Consultant Services with TCM Group (TCM), 3130-B Inland Empire Boulevard, Ontario, CA 91764 to provide construction management and inspection services for SR-60/Nason Street Interchange Improvements, authorize the City Manager to execute said Second Amendment to Agreement for Professional Consultant Services with TCM in the form attached hereto, authorize a Change Order to increase the Purchase Order with TCM by the amount of \$1,414,807 when the agreement has been signed by all parties (Account No. 125.89720) and extend the contract termination date from December 31, 2011 to December 31, 2012, and authorize the Public Works Director/City Engineer to execute any subsequent related minor amendments to the contract with TCM subject to the approval of the City Attorney. *This alternative will allow for the construction of the needed improvements.*
2. Do not approve the Second Amendment to Agreement for Professional Consultant Services with TCM Group (TCM), 3130-B Inland Empire Boulevard, Ontario, CA 91764 to provide construction management and inspection services for SR-60/Nason Street Interchange Improvements, do not authorize the City Manager to execute said Second Amendment to Agreement for Professional Consultant Services with TCM in the form attached hereto, do not authorize a Change Order to increase the Purchase Order with TCM by the amount of

\$1,414,807 when the agreement has been signed by all parties (Account No. 125.89720) and extend the contract termination date from December 31, 2011 to December 31, 2012, and do not authorize the Public Works Director/City Engineer to execute any subsequent related minor amendments to the contract with TCM subject to the approval of the City Attorney. *This alternative will delay construction of the needed improvements.*

FISCAL IMPACT

The project is currently funded using federal funds and matching Measure "A" funds (Fund 125). The City has successfully obtained approximately \$8.9 million of federal funds for construction. Remaining construction funding consists of DIF Interchange funds and Measure "A" funds. There are sufficient funds in the budget for the amendment.

All funding sources for this project (Measure "A," Surface Transportation Program, Transportation Efficiency Act of the 21st Century, and DIF Interchange funds) are restricted for capital improvements related to transportation projects or for the SR-60/Nason Interchange and cannot be utilized for operational activities. The allocated amounts below are specifically designated for the SR-60/Nason Interchange Improvements Project. There is no impact to the General Fund.

FY 2010/2011 BUDGETED FUNDS

TEA 21 Demonstration Funds (125.66929).....	\$ 4,222,000
STPL Discretionary Funds (125.67029).....	\$ 4,737,000
Measure "A" Funds (125.89720).....	\$ 1,710,000
DIF Interchange Improvement Funds (418.83630).....	<u>\$ 1,740,000</u>
Total Available Funds.....	\$12,409,000

FY 2010/2011 ESTIMATED CONSTRUCTION COSTS

Estimated Interchange Construction Costs	\$10,000,000
Construction Management & Inspection Services	\$ 1,415,000
Construction Support Services (Geotechnical & Survey)	\$ 400,000
Administrative Costs (Staff & Miscellaneous).....	<u>\$ 100,000</u>
Total Estimated Costs	\$11,915,000

ANTICIPATED PROJECT SCHEDULE

Caltrans Approval to Advertise Construction.....	August 2010
Interchange Construction Start Date*.....	December 2010
Interchange Construction End Date	December 2011

**pending Caltrans approval*

CITY COUNCIL GOALS

ADVOCACY:

Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives and goals to appropriate external governments, agencies and corporations.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley’s future.

SUMMARY

Staff recommends awarding the third phase of work for the provision of construction management and inspection services to the TCM Group for the SR-60/Nason Street Interchange Improvement Project by approving the Second Amendment to Agreement for Professional Consultant Services and increasing the purchase order by \$1,414,807.

ATTACHMENT

Attachment "A" – Second Amendment to Agreement for Professional Consultant Services

Prepared By:
Margery A. Lazarus
Senior Engineer, P.E.

Department Head Approval:
Chris A. Vogt, P.E.
Public Works Director/ City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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**SECOND AMENDMENT TO AGREEMENT
FOR PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 98-25897**

This Second Amendment to Agreement is by and between the CITY of MORENO VALLEY, a municipal corporation, hereinafter referred to as "City," and TCM Group, a California corporation, hereinafter referred to as "Consultant." This Second Amendment to Agreement is made and entered into effective on the date the City signs this Amendment.

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "Agreement for Professional Consultant Services," hereinafter referred to as "Agreement," dated October 21, 2008.

Whereas, the Consultant is providing consultant program management and construction management services for State Route 60/Nason Street Interchange Improvements.

Whereas said Agreement was amended by the "First Amendment to Agreement for Professional Consultant Services" dated April 30, 2009.

Whereas, the Consultant submitted a Proposal dated June 23, 2008, to provide program and construction management services in three phases (Phase I - Program Management, Phase 2 - Utility Relocation and Phase 3 - Construction Management). A copy of said Proposal, attached to the original agreement as 'Exhibit "B," is incorporated herein by reference.

Whereas, Phases 1 and 2 have been awarded to and successfully completed by Consultant; and

Whereas, it is desirable to further amend the Agreement to expand the scope of the work to include construction management services (Phase 3) to be performed by the Consultant as is

Attachment "A"

**SECOND AMENDMENT TO AGREEMENT FOR
PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 98-25897**

more particularly described in Section 1 of this Second Amendment.

SECTION 1 AMENDMENT TO ORIGINAL AGREEMENT:

1.1 The Agreement termination date of **December 31, 2011**, is extended to **December 31, 2012**.

1.2 Exhibit "B" to the Agreement is hereby amended to expand the scope of work to include Phase 3 construction management and inspection services as described in the original proposal dated June 23, 2008.

1.3 Exhibit "D" to the Agreement is hereby further amended by adding to the cost proposal section thereof "Exhibit A -- Second Amendment," entitled "Cost Proposal -- Phase 3 Construction Management Services."

1.4 The City agrees to pay the Consultant and the Consultant agrees to receive a "Not-to-Exceed" fee of \$1,414,807, as set forth in the above-referenced Cost Proposal, in consideration of the Consultant's performance of the work set forth in "Exhibit A -- Second Amendment."

1.5 The total "Not to Exceed" fee for this contract is \$2,032,460 (\$823,894 for the original Agreement less \$205,641 for the First Amendment to Agreement plus \$1,414,807 for the Second Amendment to Agreement).

SECTION 2

2.1 Except as otherwise specifically provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

SIGNATURE PAGE TO FOLLOW

**SECOND AMENDMENT TO AGREEMENT FOR
PROFESSIONAL CONSULTANT SERVICES
PROJECT NO. 98-25897**

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

TCM Group, Inc.

BY: _____
City Manager

BY: _____

TITLE: _____
(President or Vice President)

Date

Date

<u>INTERNAL USE ONLY</u>
APPROVED AS TO LEGAL FORM:
_____ City Attorney
_____ Date
RECOMMENDED FOR APPROVAL:
_____ Department Head (if contract exceeds \$15,000)
_____ Date

BY: _____

TITLE: _____
(Corporate Secretary)

Date

Attachments: Exhibit "A" – Phase 3 Cost Proposal

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July 12, 2010

To: City of Moreno Valley
Public Works Department
14177 Frederick St.
Moreno Valley, CA 92553
Attn: Margery Lazarus
Project Manager

Project: Nason St.
Cat: 3.1

From: Ivan S. Benavidez Jr.
Project Manager
TCM Group
3130-B Inland Empire Blvd.
Ontario, CA 91764

Re: Revised Cost Proposal for Construction Management

Attached for your review and approval is our revised cost proposal for construction management services on the SR-60 / Nason Street Interchange Improvement Project.

Scope Changes include:

- Reduced inspection of the wetland area that has been eliminated from the original construction documents (-\$146,951.00)
- Increase for as needed service during construction as directed by the City Manger (+124,230.00).

Our original estimate for the construction management services during the construction and post-construction phases was \$1,430,599.00, our total revised estimate is \$1,414,807.00; resulting in a reduction of \$15,792.00.

The revised cost proposal uses the same staff rates and firm overhead rates proposed in 2008.

Please let me know if the reduced dollar value for the scope changes is acceptable to you. If you have any questions please feel free to contact me at 909-203-3589.

Sincerely,

Ivan S. Benavidez Jr.

Ivan S. Benavidez Jr.

Page 1 of 1

Exhibit "A" – Second Amendment

Classification	Staff Member	Hours	Payrate	Overhead Rate	Fee	Billing Rate	Cost	
Pre-construction Phase (9 Working Days) for All Elements								
Project Manager/Resident Engineer	Ivan Benavidez, PE	0	75	159%	10%	\$ 213.68	\$ -	
Assistant RE	Jose Burbano	0	60	159%	10%	\$ 170.94	\$ -	
Office Engr.	Vanessa Barrientos	0	40	159%	10%	\$ 113.96	\$ -	
Subtotal		0					\$ -	
Construction Phase (240 Working Days) for All Elements								
Project Manager/Resident Engineer	Ivan Benavidez, PE	1920	75	159%	10%	\$ 213.68	\$ 410,256	
Asst. RE	Jose Burbano	1440	60	159%	10%	\$ 170.94	\$ 246,154	
Inspector-Nason	Chuck Shell	1920	43	159%	10%	\$ 122.51	\$ 235,213	
Inspector-Nason	Gary Cavafian	400	50	159%	10%	\$ 142.45	\$ 56,980	
Inspector-SCE	Lawrence Taylor	0	40	159%	10%	\$ 113.96	\$ -	
Office Engr.	Vanessa Barrientos	1920	40	159%	10%	\$ 113.96	\$ 218,803	
Subtotal		7,600					\$ 1,167,406	
Post-Construction Phase (9 Working Days) for All Elements								
Project Manager/Resident Engineer	Ivan Benavidez, PE	72	75	159%	10%	\$ 213.68	\$ 15,385	
Asst RE	Jose Burbano	72	60	159%	10%	\$ 170.94	\$ 12,308	
Office Engr.	Vanessa Barrientos	72	40	159%	10%	\$ 113.96	\$ 8,205	
Subtotal		216					\$ 35,897	
Construction Support As-Needed								
Project Manager/Resident Engineer	Ivan Benavidez, PE	160	79.57	159%	10%	\$ 226.69	\$ 36,271	
Asst. RE	Jose Burbano	160	63.65	159%	10%	\$ 181.34	\$ 29,014	
Inspector-Nason	Chuck Shell	150	42.46	159%	10%	\$ 120.97	\$ 18,145	
Inspector-Nason	Gary Cavafian	150	53.04	159%	10%	\$ 151.11	\$ 22,667	
Inspector-SCE	Lawrence Taylor	0	42.43	159%	10%	\$ 120.88	\$ -	
Office Engr.	Vanessa Barrientos	150	42.43	159%	10%	\$ 120.88	\$ 18,132	
Subtotal		770					\$ 124,230	
Misc. Expenses								
Vehicles		8586				\$ 7	\$ 60,102	
Laptops		8586				\$ 1	\$ 8,586	
Cellphones		8586				\$ 1	\$ 8,586	
Office Supplies/Mailings/Shipping/ . etc							\$ 10,000	
Subtotal							\$ 87,274	
Limitations & Conditions:							Total Cost \$	1,414,807

Construction duration is estimated at 240 working days with 0 days for preconstruction & 9 days for closeout.
 Inspector will be fully equipped with vehicles, computers, tools, and equipment required to perform their tasks.
 Construction office to be provided by City or Contractor.
 Overtime is to be charged at 1.5 the above rate per prevailing wage requirements.
 Cost proposal is subject to prevailing wage rates and prevailing wage rate changes for inspection.
 Miscellaneous expenses includes stationeries and other items needed for CM team.

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ORDINANCE NO. 814

AN ORDINANCE OF THE CITY OF MORENO VALLEY AMENDING, SECTION 11.40.040 OF CHAPTER 11.40 OF TITLE 11 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE, RELATING TO THE CARRYING OF BLANK SHOOTING PISTOLS AND THE SHOOTING OF BLANKS AT THE MORENO VALLEY EQUESTRIAN CENTER

The City Council of the City of Moreno Valley ordains as follows:

SECTION 1. MUNICIPAL CODE AMENDED:

1.1 Section 11.40.040 of Chapter 11.40 of Title 11 of the City of Moreno Valley Municipal Code is amended in its entirety to read as follows:

“11.40.040 Regulations. Unless specifically provided otherwise in this Chapter, the following regulations shall apply in all parks and recreation facilities:

a. Operation of Vehicles and Bicycles.

1. Roads for Public Use. The provisions of the California Vehicle Code are applicable in all parks upon any way or place, which is publicly maintained and open to the use of the public for vehicular travel. Violations of said vehicle code within a park shall be enforced and prosecuted in accordance with the provisions thereof. The City Traffic Engineer is hereby authorized and directed, on the account of the District, to post appropriate signs advising of the vehicular travel restrictions in force within a particular park when duly authorized to do so by action of the City Council.

2. Operation of Vehicles and Bicycles. No person shall drive or otherwise operate a vehicle in a park, and no person shall ride a bicycle (as defined in the California Vehicle Code) in a park, upon any surface other than those maintained and open to the public for purposes of vehicular travel or parking. Vehicles may use such temporary parking areas as may be designated by appropriate signs from time to time by the Director. This provision does not apply to any vehicle being used for authorized District business, or to any police or other emergency vehicles performing an authorized mission, nor to a vehicle, which is within a park pursuant to written permission of the Director. Neither does this provision apply to any electrically driven wheelchair carrying a physically incapacitated person.

b. Solicitation Prohibited. No person shall practice, carry on, conduct, or solicit for, any trade, service, occupation, business, or profession in any park, or sell or offer for sale therein or thereon any merchandise, article, or anything whatsoever. This Section shall not apply to any person acting pursuant to a contract with the District or under an authorization duly granted by the Director pursuant to standards and criteria approved by the City Council.

c. Prohibition of Animals in Parks. No person shall cause, permit, or allow any animal owned or possessed by him, or any animal in the custody or control of such person, to be present in any park except:

1. Equine animals being led or ridden under reasonable control upon a bridle path or trail authorized and provided for such purpose;

2. Equine or other animals which are hitched or fastened at a place expressly authorized and designated for such purpose;

3. Dogs or cats when caged, or when led by a cord or chain not more than six feet long, or when confined within the interior of a vehicle;

4. Service animals which have been specially trained and are being used by blind or disabled persons to aid and guide them in their movements;

5. Small pets which are kept on the person of the possessor at all times;

6. In connection with activities authorized by the Director and when in accordance with all conditions attached to such authorization;

7. Fowl or animals turned loose at the direction or with the written permission of the Director.

8. Exceptions. The requirement for a dog to be on-leash while in a public park shall not apply to the following:

(a) Any dog used by a law enforcement agency.

(b) A dog while participating in a dog obedience training program or a dog obedience or conformation show authorized by the Director, although such dog shall be on leash or otherwise restrained while not actively participating in such show or program.

(c) A dog within a posted "leash optional" area of the park as designated by the Director, provided, however, nothing herein shall relieve the owner or person having charge, care, custody or control of such dog from the responsibility to maintain proper control over such dog nor shall this Subsection be construed as relieving such person from liability for any damages arising out of his or her dog's action while using the leash optional area.

d. Responsibility of Animal Owner.

1. Each person who owns, or who has custody, possession, or control of an animal within a park shall collect, pick up, and remove all fecal matter and debris

promptly after it has been deposited or left behind by said animal in or upon a park. This Subsection shall not apply to guide dogs for blind or disabled persons.

2. No dog is permitted in any designated leash optional area in the custody of a child twelve years of age or younger unless such child is accompanied and supervised by a person at least eighteen years of age.

3. No person may have more than two dogs in a designated leash optional area at any one time.

4. Any dog in a designated leash optional area must be under the voice control of the person having custody of such dog while the dog is in said area.

5. No dogs are permitted in a designated leash optional area except during posted hours of operation.

6. No person shall place a dog in a designated leash optional area, which is not over the age of four months, vaccinated for rabies and wearing a currently valid issued dog tag, or whose owner has within his or her possession said dog tag.

7. No person shall place a dog that is sick or in heat in a designated leash optional area.

8. No person shall place an aggressive dog of any breed in a designated leash optional area even if such dog is on a leash.

9. Any person having care or custody of a dog in a leash optional area shall quiet the dog if the dog barks.

10. No person shall bring any animal other than a dog to a leash optional area unless otherwise specifically authorized by the Director in writing.

11. The use of a leash optional area by the owner or other person having charge, care, custody or control of a dog shall constitute agreement by that person to follow the rules provided herein and his or her agreement to protect, indemnify, defend, and hold harmless the District/City and its officers and employees from any claim, injury or damage arising from or in connection with use.

e. Prohibition of Firearms, Weapons, and Fireworks.

1. No person shall carry or discharge any firecracker, rocket, torpedo, or other type of explosive, or carry or discharge any air gun, rifle, pistol, sling shot, bow and arrow, or any similar device or weapon including firearm, knife (as defined in the Penal Code as a illegal weapon), etc., within or into a park; nor shall any person carry into or use any other object within a park with the intent of disturbing the peace of any person by means of noise or otherwise.

2. This prohibition shall not apply to the engaging in or traveling to target practice conducted in accordance with appropriate standards of safety at an archery, skeet, or target range authorized and provided by the district for such purpose; nor shall this prohibition apply to law enforcement personnel acting within the scope of their official duties.

3. This prohibition shall not apply to the use of non-projectile firearms at the Moreno Valley Equestrian Center for practice, exhibition, or competition related to re-enactment programs or events authorized through the issuance of a formal permit pursuant to Section 11.40.050(D) of this Code.

4. Any device carried into or used within a park in violation of this provision is subject to confiscation by any law enforcement officer or duly authorized district employee and, in the event thereof, shall be thereafter disposed of in accordance with law, including without limitation any applicable district regulations.

f. Damaging Property Prohibited. No person shall cut, break, injure, deface, or disturb any tree, shrub, plant, rock, building, cage, pen, monument, fence, bench, or other structure, apparatus, or property, or pluck, pull up, cut, take, or remove any shrub, bush, plant, or flower, or mark or write upon, paint, or deface in any matter any building, monument, fence, bench, or other structure within a park. This prohibition shall not apply to any employee or contractor of the District or of the City acting within the scope of such employment or contract.

g. Damaging Land Prohibited. No person shall cut or remove any wood, turf, grass, soil, rock, sand, gravel, or fertilizer from a park or from any place within a park. This prohibition shall not apply to any employee or contractor of the District or of the City acting within the scope of such employment of contract.

h. Water. No person shall swim, fish in, bathe, wade, row, sail, or operate any boat, craft, or other device, on or in any pond, lake, or stream within or into a park, except at such place or places authorized and provided by the District for such use; nor shall any person pollute the water of any fountain, pond, lake, stream, or reservoir within a park or which would carry pollution to the water of a foundation, pond, lake, stream, or reservoir within a park.

i. Hazardous Waste: No person shall discharge any form of hazardous waste including flammable liquids, toxic chemicals, caustic substances, poisons, motor oil, lye, benzine, chloride, or any other material that could be a hazard to a person, animal or property, in any park.

j. Fires. No person shall make or kindle a fire within a park except in stoves or other facilities specifically provided for such purpose. No fire shall be lit or maintained within a park between the hours of 10:00 p.m. and 8:00 a.m. of the next succeeding day, except by written permission of the Director.

k. Prohibited Presence. No person shall tent, camp, lodge, or otherwise be present in any park after 10:00 p.m. or before 8:00 a.m. except when lawfully in attendance at an event approved by the Director.

l. Littering, Waste Liquids and Refuse. No person shall dispose of dishwater or other waste liquids or dispose of any garbage, empty container, or other solid waste material within a park, other than in receptacles or other facilities provided for such disposal.

m. Gambling. No person shall play or bet at or against any game in a park, which game is played, conducted, dealt or carried on with cards, dice, or other device, for money, chips, shells, credit, or any other thing of or redeemable for value, nor maintain or exhibit any gambling table or other instruments of gambling or gaming within a park. This prohibition shall not apply to simulated gambling games or to bingo games when conducted by a non-profit organization during fund-raising events pursuant to a permit issued by the Director pursuant to Section 5 of this Ordinance and in compliance with all other applicable law.

n. Prohibited Activities. No person shall play or engage in model airplane flying, driving of golf balls, or any activity of a hazardous nature within a park, except at such place as shall be especially set apart and authorized for such purpose.

o. Disturbing the Peace. No person shall indulge in riotous, boisterous, threatening, or indecent conduct, or abusive, threatening, profane, or indecent language, within a park in such a manner as to disturb the public peace or to materially disrupt the quiet enjoyment of such park or of nearby properties by any other person who is lawfully present.

p. Advertising Matter. Except as authorized in writing by the Director, or except in performance of an official duty, no person shall post, place, or erect any bill, notice, paper, or advertising device or matter of any kind within a park.

q. Meetings. No person shall hold any meeting, service, concert, exercise, parade or exhibition requiring a Special Events permit under Chapter 11.38 of this Code without obtaining and complying with such permit. This Subsection shall not be construed to deprive any person of a right protected by state or federal law or constitution.

r. Protection of Animals. No person shall hunt, frighten, chase, set a snare for, catch, injure, or maltreat any domestic or other animal within a park, nor shall any person fish with hook and line, seine, trap, spear or net, or by any other means, in any pond, lake, stream, or water within a park, except at a place especially authorized and provided for such purpose. This prohibition shall not apply to law enforcement personnel, animal control officers, District employees, or District contractors acting

within the scope of their official duties or contract obligations, or residents attempting to catch household pets.

s. Use of Restroom. No person shall use any restroom, washroom, or dressing facility within a park when the same has been designated for persons of the opposite sex. This Subsection shall not apply to children accompanied by their parent or guardian.

t. Use of Bicycles in Parks.

1. Except as set forth in Section 2, no person shall ride any bicycle within a park except at or on a place specifically authorized and provided for such purpose. While elsewhere within a park, bicycles shall be dismounted and pushed when moving from place to place.

2. If bicycle riding is authorized, users are required to wear safety gear such as helmet, kneepads, wrist guards, elbow pads or other required equipment for the authorized use of such activity as required by law.

u. Use of Skate Park.

1. No person shall use the skate park at times other than those established by the District as the hours of operation;

2. No person shall use the skate park areas for uses other than skateboarding, skating and BMX bike riding;

3. No person shall use the skate park without wearing the required safety equipment, including a helmet, elbow pads, and knee pads;

4. No person shall litter or place trash or debris in or on the skating surface. All trash shall be placed in a designated trash receptacle provided, and failure to do so shall be grounds for expulsion from the skate park;

5. No person shall skate or ride on the curbs, sidewalks, fences, railings and/or driveways of the District/City-owned areas surrounding the skateboarding/skating surface;

6. No person shall skate or ride in a reckless manner with disregard for the safety of persons or property in the skate park;

7. No glass containers are allowed in the designated skateboarding/skating areas. Food and drink are allowed in designated areas only;

8. No additional obstacles may be placed in the designated skateboarding/skating areas;

9. No person shall use the skate park if a hazardous condition exists, including, but not limited to, inclement weather conditions, or significant cracks, breaks or other irregularities in the skating surface of the skateboard/skating areas;

10. BMX bikes will be permitted only during designated sessions under supervision of concessionaire or District staff.

v. Amplified Sound in Parks. No person shall cause the amplification of sound within a park if the noise level caused thereby exceeds 60 decibels from all channels of equipment used, except pursuant to a permit issued by the Director, and in compliance with the following conditions:

1. The location of each grandstand and gathering, and the position of each loudspeaker shall be as specified in writing by the Director so as to cause the least amount of disturbance to other persons, both within and without the park;

2. Amplified sounds shall not exceed 60 decibels at a point 50 feet in front of the midpoint of a straight line between any two-loudspeaker installations.

w. Use of Alcohol in Parks. No person shall enter, be in or remain in a park owned, operated or controlled by the City or District, while under the influence of any alcoholic beverage or while in possession of, transporting, purchasing, selling, giving away or consuming any alcoholic beverage, unless a formal permit is granted by the City Manager pursuant to Ordinance CSD-8. Such permit shall be obtained, and the fee as established by resolution of the City Council therefor paid, regardless of the size of the gathering or assembly which desires the privilege of using park area to drink beer, wine or other intoxicating beverage.

x. Use or Sale of Narcotics and Illegal Drugs in Parks. No person shall enter, be in or remain in any park owned, operated or controlled by the City or District, while in possession of, transporting, purchasing, selling, giving away or consuming any narcotics or illegal drugs, except possession of or consumption of prescription medication by the person for whom it was prescribed.

y. Washing or Repairing Cars. No person shall engage in the washing, cleaning, repairing, renovating or painting of any vehicle within a park, except those emergency repairs immediately necessary to render such vehicle safe may be made.

z. Speed Limits. No person shall drive a vehicle within a park other than in a reasonable and prudent manner but in no case to exceed 15 miles per hour.

aa. Parking. No person shall park any vehicle within a park except for the duration of his or her visit to such park. No person shall leave or park any motor vehicle, on any driveway, or at any other place, except at such place or places as are designated for vehicle parking.

bb. Smoking in Parks.

1. No person shall smoke within a park owned, operated or controlled by the City or District except in an area designated and posted as available for smoking at or on the grounds of a recreation center by direction of the Parks and Community Services Director.

2. No person shall dispose of any cigarette, cigar or other tobacco product or any part thereof in a park except in a designated waste disposal container.

3. Violations and Penalties. Any person who violates any provision of this section by smoking in a park is guilty of an infraction and, upon conviction thereof, shall be punished in accordance with Chapter 1.10 Civil Citations, of the Moreno Valley Municipal Code.”

SECTION 2. EFFECT OF ENACTMENT:

2.1 Except as specifically provided herein, nothing contained in this ordinance shall be deemed to modify or supersede any prior enactment of the City Council which addresses the same subject addressed herein.

SECTION 3. NOTICE OF ADOPTION:

3.1 Within fifteen days after the date of adoption hereof, the City Clerk shall certify to the adoption of this ordinance and cause it to be posted in three public places within the city.

SECTION 4. EFFECTIVE DATE:

4.1 This ordinance shall take effect thirty days after the date of its adoption.

APPROVED AND ADOPTED this _____ day of _____, 2010.

Mayor

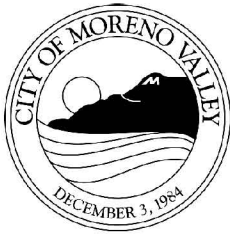
ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Ret</i>
CITY MANAGER	<i>WBS</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: ADOPT RESOLUTION NO. 2010-77 APPROVING THE RELOCATION PLAN FOR ELIGIBLE OCCUPANTS OF MOBILE HOME UNITS, LOCATED AT 14890 PERRIS BOULEVARD (APN 484-242-017) FOR PERRIS BOULEVARD WIDENING FROM PERRIS VALLEY STORM DRAIN LATERAL "B" TO CACTUS AVENUE
PROJECT NO. 11-41570125

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Adopt the proposed Resolution approving the Relocation Plan for eligible occupants of mobile home units, located at 14890 Perris Boulevard (APN 484-242-017).

BACKGROUND

The Perris Boulevard Widening project will result in a total of six (6) full lanes of street improvements on Perris Boulevard from Perris Valley Storm Drain Lateral "B" to Cactus Avenue. Right of way (ROW) is required from several parcels, one of which is a residential mobile home park, located at 14890 Perris Boulevard.

DISCUSSION

The parcel that is a residential mobile home park site has six (6) mobile home units that will be displaced by the project. Five (5) of the six (6) mobile homes may need to be acquired. The sixth mobile home does not require appraisal (it is vacant and owned by the mobile home park) and will simply be relocated within the mobile home park.

No acquisition of whole properties is proposed. As mentioned above, however, six (6) mobile homes in the mobile home park will be impacted, requiring the relocation or removal of five (5) mobile homes and the occupants. The proposed displacement

triggers relocation assistance obligations under State Relocation Law and the State Relocation Guidelines. Among the various obligations of the Law is the requirement to prepare a Relocation Plan addressing the circumstances and needs of those persons potentially displaced by the project, as well as a mandatory 30 day public review of the document.

Overland, Pacific and Cutler (OPC), ROW consultants for the project, has met with the occupants of the five (5) mobile home units and prepared the Relocation Plan (Attachment “B”). The 30 day public review period has expired and based on the Relocation Plan, the estimated cost to relocate the occupants is \$241,000 (including 20% contingency).

ALTERNATIVES

1. Adopt the proposed Resolution approving the Relocation Plan for eligible occupants of mobile home units, located at 14890 Perris Boulevard (APN 484-242-017).. *This alternative will allow the City to begin negotiations to acquire right of way.*
2. Do not adopt the proposed Resolution approving the Relocation Plan for eligible occupants of mobile home units, located at 14890 Perris Boulevard (APN 484-242-017).. *This alternative will not allow the City to begin negotiations to acquire right of way and will delay construction of the roadway improvements.*

FISCAL IMPACT

Funding for the proposed ROW acquisition is included in the current Fiscal Year 2010/2011 budget. Transportation Uniform Mitigation Fee (Fund 415 – TUMF) provides a 68.6% reimbursement to the City’s 31.4% matching funds from Fund 416 – DIF Arterial Streets for this project. These funds have been allocated for the Perris Boulevard Widening from Perris Valley Storm Drain Lateral “B” to Cactus Avenue and cannot be utilized for operational activities. There is no impact on the City’s General Fund.

Available Funding:

TUMF (Fund 415).....	\$1,688,000
DIF Arterial Streets (Fund 416)	<u>\$644,000</u>
Total Funding	\$2,332,000

Estimated ROW Related Expenditures:

ROW Acquisitions	\$495,120
Relocation Plan Costs	\$241,000
ROW Agent, Administration, and Escrow Costs.....	\$70,000
Utility Relocation Costs	<u>\$0</u>
Total Estimated ROW Related Expenditures	\$806,120

CITY COUNCIL GOALS

Public Safety:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Positive Environment:

Create a positive environment for the development of Moreno Valley's future.

SUMMARY

City staff recommends that the City Council adopt the proposed Resolution approving the Relocation Plan.

ATTACHMENTS/EXHIBITS

- Attachment "A" – Location Map
- Attachment "B" – Proposed Resolution
- Attachment "C" – Relocation Plan

Prepared By:
Larry Gonzales
Senior Engineer, P.E.

Department Head Approval:
Chris A. Vogt, P.E.
Public Works Director/City Engineer

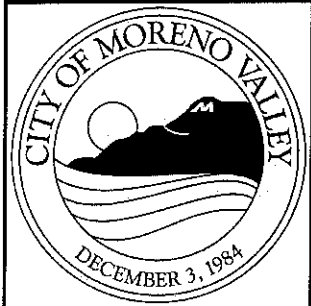
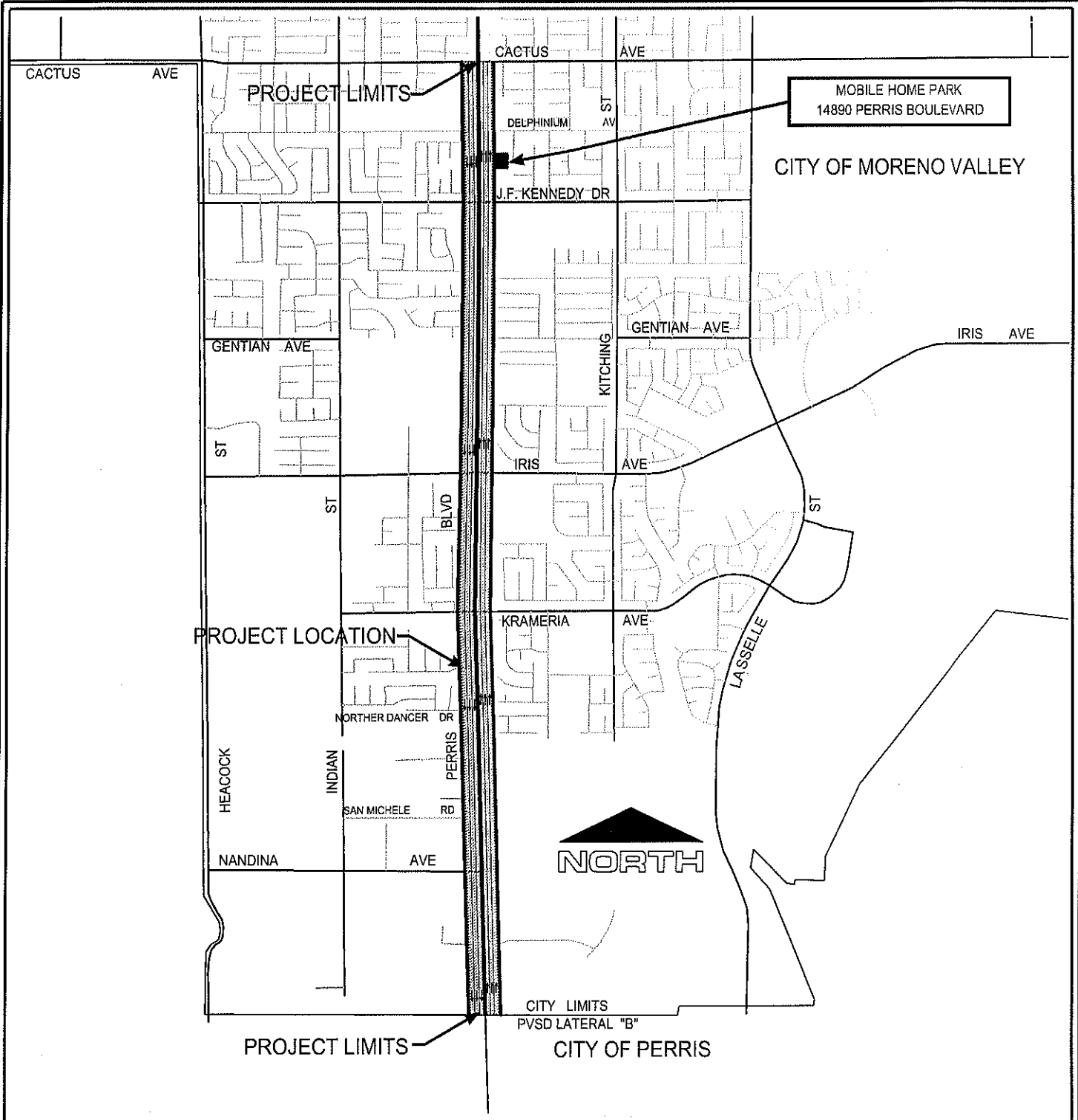
Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\CapProj\CapProj\PROJECTS\Larry - 11-41570125 Perris Blvd. from PVSD Lateral B to Cactus Ave\CC Reports\082410 CC - Relocation Plan Approval\Relocation Plan Approval Staff Report (082410).doc

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Date: 14 Jul 10 - 4:41 pm
 File: W:\CapProj\CapProj\PROJECTS\Larry - 11-41570125 Perris Blvd. from PVSD Lateral B to Cactus Ave\Design Phase\Auto CAD\Perris Widening from Cactus to PVSD Lat. B Location Map for RCTC.dwg
 User: despois



<h1>LOCATION MAP</h1>	
Public Works Department Capital Projects Division	<h2>PERRIS BOULEVARD WIDENING</h2>
Scale: Not to scale	FROM
ATTACHMENT "A"	<h2>PVSD LATERAL "B" TO CACTUS AVE</h2>

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RESOLUTION NO. 2010-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE RELOCATION PLAN FOR ELIGIBLE OCCUPANTS OF MOBILE HOME UNITS LOCATED AT 14890 PERRIS BOULEVARD (APN 484-242-017) FOR PERRIS BOULEVARD WIDENING FROM PERRIS VALLEY STORM DRAIN LATERAL "B" TO CACTUS AVENUE

WHEREAS, the State Relocation Law (California Government Code Section 7260 et seq.) and the State Relocation Guidelines (California Code of Regulations, Title 25, Chapter 6 et seq.) require the City to approve a relocation plan and provide relocation assistance and benefits to eligible residential and business occupants that are either permanently or temporarily displaced; and

WHEREAS, the City, pursuant to the State Relocation Law and the State Relocation Guidelines, has prepared a Relocation Plan, which is attached to this resolution; and

WHEREAS, the proposed action to approve the Relocation Plan is an administrative action and does not constitute a project under the California Environmental Quality Act per Guidelines Section 15262.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The Relocation Plan for eligible occupants of the Site is approved.
2. The City Manager and/or his designee is hereby authorized and directed to act on the City's behalf on all matters pertaining to the approved Relocation Plan including entering into agreement(s) with eligible occupants and payment of benefits to eligible occupants.
3. This resolution shall become effective immediately upon adoption.

APPROVED AND ADOPTED this _____ day of _____, 2010.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

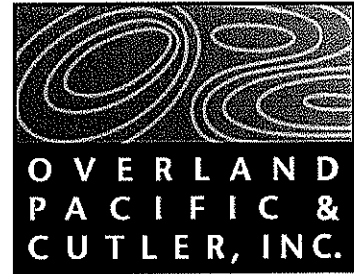
City Attorney

RESOLUTION JURAT

[Clerk's office will prepare]

[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]

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RELOCATION PLAN

FOR THE

PERRIS BOULEVARD WIDENING FROM

PERRIS VALLEY STORM DRAIN LATERAL

"B" TO CACTUS AVENUE

PREPARED FOR:

CITY OF MORENO VALLEY, PUBLIC WORKS DEPARTMENT/CAPITAL PROJECTS DIVISION

PREPARED BY:

**OVERLAND, PACIFIC & CUTLER, INC.
2280 MARKET STREET, SUITE 340
RIVERSIDE, CA 92501
PHONE: (951) 683-2353**

JUNE 30, 2010

Attachment "C"

TABLE OF CONTENTS

INTRODUCTION	1
A. PROJECT LOCATION	1
B. ASSESSMENT OF NEEDS	2
C. REPLACEMENT HOUSING RESOURCES	5
D. CONCURRENT RESIDENTIAL DISPLACEMENT	6
E. TEMPORARY HOUSING	6
F. PROGRAM ASSURANCES AND STANDARDS	6
G. RELOCATION ASSISTANCE PROGRAM	7
H. RELOCATION BENEFIT CATEGORIES	8
I. PAYMENT OF RELOCATION BENEFITS	11
J. EVICTION POLICY	11
K. APPEALS POLICY	11
L. PROJECTED DATES OF DISPLACEMENT	12
M. ESTIMATED RELOCATION COSTS	12
N. CITIZEN PARTICIPATION/PLAN REVIEW	12
TABLE OF ATTACHMENTS	14

INTRODUCTION

The City of Moreno Valley Public Works Department/Capital Projects Division (the Agency) is proposing to widen and improve Perris Boulevard between Perris Valley Storm Drain Lateral "B" (Southerly City Limits) and Cactus Avenue (the Project) to an arterial highway standard with a curb-to-curb width of 86 feet within a 110-foot right-of-way. The proposed Perris Boulevard improvements will include curb and gutter, pavement, sidewalk, street light relocation, traffic signal modifications, signing and striping, and related road improvements. The Project will require the acquisition of property from The Sky Trails Mobile Home Park, which will impact five individually owned mobile home units. The Agency's intent is to utilize the available spaces within the Sky Trails Mobile Village and relocate the mobile homes within the park when possible, thus minimizing the relocation outside of the community. The proposed displacement triggers relocation assistance obligations under State Relocation Law (California Government Code Section 7260 et seq.) (the Law) and the State Relocation Guidelines (California Code of Regulations, Title 25, Chapter 6 et seq.) (the Guidelines). Among the various obligations of the Law is the requirement to prepare a relocation plan addressing the circumstances and needs of those persons potentially displaced by the Project.

The following Relocation Plan (the Plan) has been prepared for the Agency by Overland, Pacific & Cutler (OPC) in accordance with the specific requirements set out in Section 6038 of the Guidelines concerning projects that involve the displacement of fewer than 15 households. This Plan provides a project description, the results of a needs assessment survey conducted among residents, a housing resource study, and details of the Agency's proposed relocation program. No activities that would cause displacement will take place prior to the required reviews and approval of this Plan.

A. PROJECT LOCATION

The proposed Project will take place in the central portion of the City of Moreno Valley. The City of Moreno Valley is in Riverside County, approximately seven miles southeast from the City of Riverside and approximately 55 miles southeast of downtown Los Angeles. The Project is located within 30 miles, generally, of the Ontario International Airport and two miles south of the SR-60 Moreno Valley Freeway (see **Attachment 1**, Map 1).

The specific Project site is located along Perris Boulevard and is generally bounded by Cactus Avenue on the north and Perris Valley Storm Drain Lateral "B" (Southerly City Limits) on the south (see **Attachment 1**, Map 2).

B. ASSESSMENT OF NEEDS

Survey information for the Plan was obtained from individual, on-site interviews conducted with the residents in January 2010 and interviewers were successful in contacting all residential households. The Project will impact one tenant occupied mobile home dwelling and four owner-occupied mobile home dwellings. For inclusionary purposes the data from public records about the properties were used as well as anecdotal responses from surveyed individuals to prepare this Plan.

1. Housing Mix

The housing mix consists of five mobile home units, two with one bedroom and three with two bedrooms; four owner- and one tenant-occupied.

2. Project Area Rents

The tenant household is renting their one bedroom mobile home from relatives for \$400 per month. Pad space rents for mobile home owners range from \$455 to \$479.

3. Occupancy/Overcrowding

There is a total Project population of 10 individuals, consisting of nine adults and one child. The average household size is two persons per dwelling unit. The distribution of household sizes within the Project is provided in **Table 1**, following.

# in Household	One	Two	Three
# Households	1	3	1

The standard for housing density adopted by the Agency allows two persons per bedroom and one person in a common living area up to four bedrooms. The Agency adheres to the state building code occupancy standard based on the square footage of the dwelling for households larger than nine members. Based on these criteria as compared to available tenant data, there is no overcrowding among Project properties.

4. Replacement Housing Needs

Replacement housing needs, as expressed in this Plan, are defined by the total number of required replacement units and the distribution of those units by bedroom size. The projected number of required units by bedroom size is calculated by comparing survey data relative to household size with the Agency's replacement housing occupancy standards. These standards, generally, allow for up to three persons in a one-bedroom unit, five persons in a two-bedroom unit, and seven persons in a three-bedroom unit.

The Project's replacement housing requirements are two one-bedroom mobile homes and three two-bedroom mobile homes; four for sale and one for rent.

The Agency will, through its relocation representatives, assure that sufficient replacement housing units exist in compliance with the decent, safe, and sanitary requirements, prior to displacing any residential households.

5. Income

Income information was provided by all five Project households. According to income standards for the County of Riverside, adjusted for family size as published

by the United States Department of Housing and Urban Development (HUD) in May 2010, two respondent Project households qualify as extremely low income (less than 30% of area median) and three qualify as low income (51%-80% of area median). **Table 2** below outlines this information.

Extremely Low	Very Low	Low	Moderate
2	0	3	0

6. Ethnicity/Language

Two households in the Project reported their ethnicity as White and three as Hispanic. English is the primary household language in all households.

7. Senior/Handicapped Households

There are no senior households (head of household or spouse 62 years or older) in the Project and four households reported disabilities that may require special accommodations as far as replacement units are concerned.

8. Preferred Relocation Areas

All Project residents expressed a preference to remain in the same park or community in order to maintain current access to employment, medical or religious facilities, recreational resources, and public transportation.

For illustrative purposes **Attachments 2 and 3** present the prevailing HUD income standards as well as general demographic information for the City of Moreno Valley.

C. REPLACEMENT HOUSING RESOURCES

A housing resource survey was conducted during the month of February 2010 to determine the availability of replacement housing to meet the needs of the five Project area households. Mobile homes for sale and available space in nearby parks that would accept a used mobile home were researched and considered as appropriate replacement options. Most residents may be able to remain at the park by moving their coach to the available spaces. One does not qualify due to the size and additions to the mobile home.

The mobile homes for sale survey, summarized in **Table 3**, identified a total of 38 available single-, double- and triple-wide mobile homes for sale. The individual figures for number of units found by coach size are presented in the table alongside the number of units needed (shown in parentheses) to meet re-housing obligations.

TABLE 3: Availability and Cost of Mobile Homes for Sale			
Size	Single-wide	Double-wide	Triple-wide
# Found (# Needed)	4 (1)	32 (3)	2 (0)
Asking Price Range	\$15,000 - \$25,000	\$12,500 - \$68,000	\$40,000 - \$45,000
Pad Rent Range	\$350 - \$620	\$350 - \$680	\$500 - \$550
Median Asking Price	\$18,700	\$31,500	\$42,500
Median Pad Rent	\$527	\$524	\$525

Project pad rents are currently approximately 11% less than median pad rents for surveyed nearby parks. The median rent amounts shown in the table above are the figures used to make benefit and budget projections for the Plan. These amounts are, naturally, subject to change according to the market rates prevailing at the time of displacement.

In addition to the available mobile homes for sale the survey identified 10 nearby mobile home parks with available spaces for used mobile homes. A total of 51 available spaces were identified with pad rents ranging from \$251 to \$755. **Attachment 4** lists available replacement housing resources.

For one tenant household the survey of nearby one-bedroom apartments was conducted and there are currently 11 available units on the market with rents ranging from \$695 to \$795 per month. Median rent for one-bedroom units is \$765.

D. CONCURRENT RESIDENTIAL DISPLACEMENT

There are, currently, no projects underway within the City of Moreno Valley, that would negatively affect the pool of available replacement housing of mobile homes for sale. No residential displacee will be required to move without both adequate notice and access to available affordable, decent, safe, and sanitary housing.

E. TEMPORARY HOUSING

There is no anticipated need for temporary housing. Should such a need arise, the displacing entity will respond appropriately and in conformance with all applicable laws and requirements.

F. PROGRAM ASSURANCES AND STANDARDS

There are adequate funds available to relocate all households subject to displacement. Services will be provided to ensure that displacement does not result in different, or separate treatment of the household based on race, nationality, color, religion, national origin, sex, marital status, familial status, disability, or any other basis protected by the Federal Fair Housing Amendments Act; the Americans with Disabilities Act; Title VI of The Civil Rights Act of 1964; Title VII of The Civil Rights Act of 1964; Title VIII of The Civil Rights Act of 1968; and, the California Fair Employment & Housing Act; and the Unruh Act.

No residential household will be displaced without at least 90 days notice and unless comparable replacement housing can be located. Comparable housing includes standards such as: decent, safe and sanitary (as defined in § 6008[d] of the Guidelines); comparable as to the number of bedrooms, living space, and type and quality of construction of the

acquired unit, but not lesser in rooms or living space than necessary to accommodate the displaced household; in an area that does not have unreasonable environmental conditions; not generally less desirable than the acquired unit with respect to proximity to schools, employment, health and medical facilities, and other public and commercial facilities and services; and within the financial means of the displaced household as defined in Section 6008, subdivision (c)(5) of the Guidelines.

The relocation program to be implemented by the Agency conforms with the standards and provisions set forth in Government Code section 7260 et seq., the Guidelines and all other applicable regulations and requirements.

G. RELOCATION ASSISTANCE PROGRAM

A relocation representative from *Overland, Pacific & Cutler, Inc. (OPC)* will assist all persons to be displaced as a consequence of the Project. OPC staff will maintain personal contact with all individuals until the relocation process has been completed. OPC maintains an open phone number (951) 683-2353 which is attended to from 8:00 a.m. to 5:00 p.m., Monday through Friday.

The relocation offices are located at:

**2280 Market Street, Suite 340
Riverside, CA 92501**

A comprehensive relocation assistance program, offering both advisory assistance and financial benefits will be provided to all households subject to displacement. Specific services will include:

- A. Distribution of informational brochure to residential occupants (**Attachment 5**);
- B. Timely referrals for residential occupants to at least three comparable replacement units and, if necessary, transportation will be provided to inspect potential replacement units; and

- C. Assistance with the completion, and filing of relocation claims, rental applications, purchase offers and appeal forms, if necessary.

H. RELOCATION BENEFIT CATEGORIES

Relocation benefits will be provided in accordance with the California Relocation Assistance Law; the Guidelines; and, other applicable regulations and requirements. Benefits will be paid upon submission of required claim forms and documentation in accordance with approved procedures. The Agency will provide appropriate benefits for each displaced household as required by the above-referenced laws and requirements.

1. Residential Moving Expense Payments

The subject households will be eligible to receive a payment for moving expenses. Payments will be made based upon either a fixed room count schedule, or an invoice for actual reasonable moving expenses from a licensed professional mover.

- a. Fixed Payment - A fixed payment for moving expenses based on the number of rooms containing furniture or other personal property to be moved. The fixed moving payment will be based upon the most recent Federal Highway Administration (FHWA) schedules maintained by the California Department of Transportation (**See Fixed Payment Moving Schedule - Attachment 6**).

- OR -

- b. Actual Reasonable Moving Expense Payments - A displaced household may elect to have a licensed, professional mover perform the move; if so, the displacing entity will pay for the actual cost of the move, up to 50 miles, and all reasonable charges for packing, unpacking, insurance, and utility connection charges at the

replacement location. The payment for moving will be made directly to the mover, or as reimbursement to the displaced household.

2. Rental Assistance/Downpayment Assistance

Residential tenants who have established residency at the Project site for a minimum of 90 days prior to the initiation of negotiations to purchase the property and who choose to re-rent, may be eligible to receive a Rental Assistance Payment in addition to compensation for moving expenses. "Initiation of Negotiations" is defined as the first written offer by the Agency to buy the property from which the households will be displaced.

Rental Assistance Payments will be limited to a maximum of \$5,250, based upon the monthly housing need over a 42 month period, prior to consideration of Last Resort Housing needs. Eligible households may opt to apply the full amount of their rental assistance eligibility toward the purchase of a replacement dwelling.

3. Payments to Mobile Home Owners

Mobile home owner-occupants will have four options with respect to relocation arrangements:

1) If the mobile home can be moved to a replacement site, the owner may elect to move and set up the unit, including any existing improvements, in a new location, provided the total cost of moving the coach does not exceed the replacement cost of a comparable unit.

Benefits will include the cost of moving and setting up the existing mobile home, within 50 miles from the Project, and Rental Assistance for space rent.

2) If the mobile home cannot be moved to a replacement site, the owner may elect to sell the mobile home to the Agency for its appraised value-in-place, and purchase a comparable replacement coach in another location;

Benefits will include Replacement Housing Payment, Residential Moving Expenses, and Rental Assistance for space rent.

3) If the mobile home cannot be moved to a replacement site, the owner may elect to sell the mobile home to the Agency for its appraised value-in-place and apply their entitlement toward the purchase of another type of residential dwelling, including the amount determined for Rental Assistance for space rent.

Benefits will include Replacement Housing Payment, Residential Moving Expenses, and Rental Assistance for space rent.

4) If the mobile home cannot be moved to a replacement site, the owner may elect to sell the mobile home to the Agency for its appraised value-in-place and rent an alternate type of residential unit.

The owner will be entitled to utilize up to the total of the replacement housing eligibility in the form of rental assistance. Actual rental assistance eligibility will be determined by subtracting the difference between the economic rent of the mobile home residence from the market rent for an apartment unit of comparable size (e.g. number of bedrooms) multiplied by 42 months.

4. Last Resort Housing Payments

In order to provide the tenants and owners with comparable replacement housing, the Agency may, if there is a need, exceed statutory maximums for rental assistance of \$5,250 for tenants and replacement housing of \$22,500 for owners, by authorizing the payment of Last Resort Housing benefits. A displaced person will be entitled to consideration for supplementary benefits in the form of Last Resort Housing assistance when the computed total of his or her rental or replacement housing assistance eligibility exceeds either \$5,250 in the case of tenants or \$22,500 for owner-occupants or when a tenant does not meet applicable occupancy requirements. Calculation of Last Resort rental assistance benefits for tenants who fail to meet 90-day occupancy requirements will be based solely on household

income. Non 90-day qualifiers must meet basic eligibility requirements applied to all other displacees.

I. PAYMENT OF RELOCATION BENEFITS

Relocation benefit payments will be made expeditiously. Claims and supporting documentation for relocation benefits must be filed with the Agency within 18 months from:

- i) the date the claimant moves from the acquired property; **or**,
- ii) the date on which final payment for the acquisition of real property is made, whichever is later.

Procedures for preparing, and filing of claims and processing and delivering of payments are attached (**Attachment 7**).

J. EVICTION POLICY

Eviction will only be undertaken as a last resort measure in cases of nonpayment of rent, serious violation of the rental agreement, a dangerous, or illegal act in the unit, or if the household refuses to act after having received reasonable referrals to comparable replacement housing. Eviction may affect the eligibility of a person otherwise entitled to relocation benefits.

K. APPEALS POLICY

The appeals policy will follow the standards described in Section 6150 of the Guidelines. Pursuant to this Section, displacees have the right to appeal determinations of eligibility,

payment amounts and general relocation assistance services. A copy of the Agency's appeals policy and procedures is attached (**Attachment 8**).

L. PROJECTED DATES OF DISPLACEMENT

Occupants will receive either a written 90-Day Informational Notice or a date specific 90-Day Notice to Vacate before they are required to move. This notice is anticipated to be issued around August of 2010.

M. ESTIMATED RELOCATION COSTS

The Agency will use its own funds to underwrite the Project. Estimated relocation costs for the Project are \$241,000 including a 20% contingency. This figure does not include any provision for relocation administrative costs or other services which may be necessary to carry out the Project.

If the Project is implemented and circumstances arise that increase the Project budget, the Agency will authorize the expenditure of those additional funds necessary to meet its statutory relocation assistance obligations.

N. CITIZEN PARTICIPATION/PLAN REVIEW

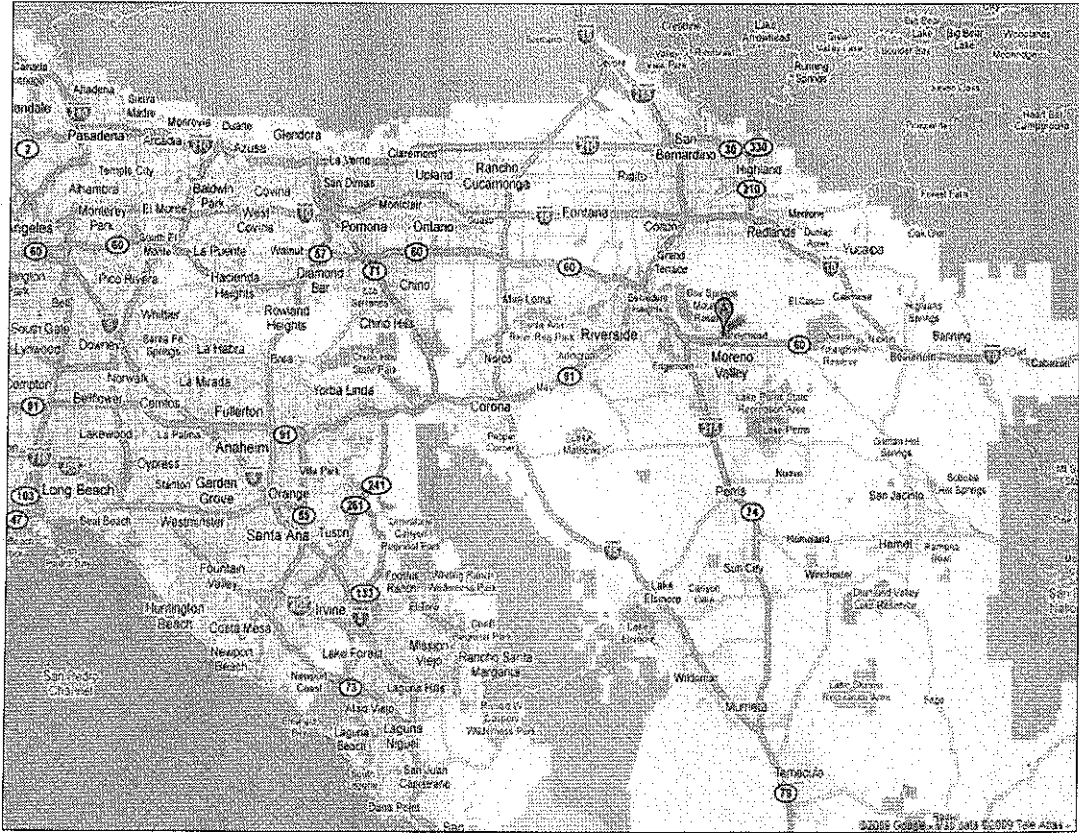
This Plan will be provided to the public for the mandatory 30 day review period. Comments regarding this Plan will be included as a Plan Addendum (**Attachment 9**) prior to submission for approval before the City of Moreno Valley City Council. A copy of the

approved Plan will be forwarded to the California Department of Housing and Community Development (HCD).

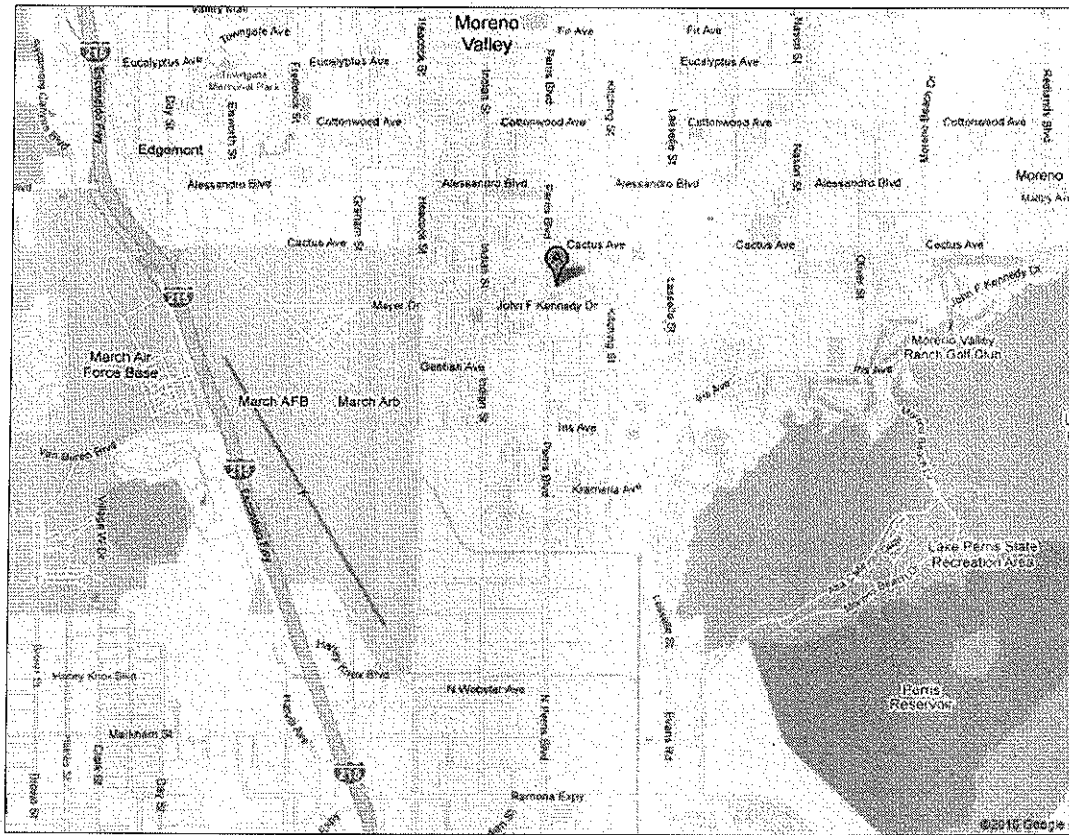
TABLE OF ATTACHMENTS

- Attachment 1:** Project Site Maps
- Attachment 2:** Demographic Characteristics
- Attachment 3:** Annual Income Limitations - Year 2010, County of Riverside
- Attachment 4:** Replacement Housing Survey
- Attachment 5:** Sample Informational Brochure for Displaced Households
- Attachment 6:** Fixed Payment Moving Schedule
- Attachment 7:** Procedures for Relocation Payments and Assistance
- Attachment 8:** Appeals Policy and Procedures
- Attachment 9:** Plan Addendum (Public Comments and Agency Response)

**ATTACHMENT 1
PROJECT SITE MAPS**



Map 1: Regional Project Location



Map 2: Project Site Location

**ATTACHMENT 2
DEMOGRAPHIC CHARACTERISTICS**

TABLE 1: 2000 Census Population - City of Moreno Valley & Tract 426.05				
Population	Tract 426.05	%	City	%
Total Population	18,387	100.0%	142,381	100.0%
White	7,926	43.1%	66,689	46.8%
Black or African American	4,362	23.7%	28,310	19.9%
American Indian and Alaska Native	166	0.9%	1,343	0.9%
Asian	1,151	6.3%	8,427	5.9%
Native Hawaiian and Other Pacific Islander	97	0.5%	733	0.5%
Some Other Race	3,644	19.8%	28,584	20.1%
Two or More Races	1,041	5.7%	8,295	5.8%
Hispanic or Latino (of Any Race)	7,070	38.5%	54,689	38.4%

Source: U.S. Census Bureau

TABLE 2: 2000 Census Housing Units - City of Moreno Valley & Tract 426.05				
Type	Tract 426.05	%	City	%
Total Units	5,472	100.0%	41,431	100.0%
Owner-Occupied	4,174	76.3%	27,873	67.3%
Renter-Occupied	784	14.3%	11,352	27.4%
Vacant Housing Units	514	9.4%	2,206	5.3%
Available for Sale Only (of Total Vacant Units)	158	30.7%	800	36.3%
Available for Rent - Full Time Occupancy (of Total Vacant Units)	159	30.9%	709	32.1%
Sold or Rented - Not Occupied	53	10.3%	221	10.0%
Otherwise Not Available (e.g. seasonal, recreational, migratory, occasional use)	65	12.6%	104	4.7%
Other Vacant	79	15.4%	372	16.9%

Source: U.S. Census Bureau

ATTACHMENT 3

**HUD ANNUAL INCOME LIMITATIONS - YEAR 2010
COUNTY OF RIVERSIDE, CA**

The following figures are approved by the U.S. Department of Housing and Urban Development (HUD) and California State Department of Housing & Community Development for use in the **County of Riverside** to define, and determine housing eligibility by income level, for the year 2010.

Area Median: \$65,000					
Family Size	Extremely Low Income	Very Low Income	Low Income	Median Income	Moderate Income
1 Person	13,650	22,750	36,400	45,500	54,600
2 Person	15,600	26,000	41,600	52,000	62,400
3 Person	17,550	29,250	46,800	58,500	70,200
4 Person	19,500	32,500	52,000	65,000	78,000
5 Person	21,100	35,100	56,200	70,200	84,250
6 Person	22,650	37,700	60,350	75,400	90,500
7 Person	24,200	40,300	64,500	80,600	96,700
8 Person	25,750	42,900	68,650	85,800	102,950

Figures are per the California State Department of Housing & Community Development, Division of Housing Policy Development, promulgated **June 17, 2010**.

ATTACHMENT 4

REPLACEMENT HOUSING SURVEY



CITY OF MORENO VALLEY
 Perris Widening Project
RELOCATION PLAN SUMMARY
POSSIBLE RELOCATION OF MOBILE HOMES
PARKS WITH SPACES AVAILABLE

ATTORNEY-CLIENT

Date

Mobile Home Park	Park Address	Available Spaces	Space Rent Amount	Accepts Outside Mobile Homes	Distance from Project Site
JFK Mobile Home Park 951-242-5437	15040 Heacock Street, Moreno Valley	None	\$515.00 plus utilities	Not at this time	6 miles
Santiago Estates Sunnymead Ltd 951-242-6158	23530 Santiago Drive Moreno Valley	1 space available	\$425.00 - \$515.00	Yes, no model older than year 2000	5.7 miles
El Sorrento Adult Mobile Home Park 951-242-3710	23820 Ironwood Avenue Moreno Valley	3 spaces available	\$515.00 - \$565.00	Yes, Must be 5 years or newer	7.4 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard Moreno Valley	6 spaces	620.00 plus utilities	Yes, Corporate must approve the home	2 miles
Cadena Creek Mobile Home Park 909-783-2700	2851 S. La Cadena Drive Colton	30 spaces	698.00	Yes	7 miles
Big Oak Gardens Mobile Senior Home Park 909-795-2213	35080 Chandler Avenue Calimesa	3 spaces	\$251.00	1977 or newer 30 amp coach only	7.9 miles
King Arthur's Mobile Home Park 951-682-5885	1560 Massachusetts Ave Riverside	None	\$595.00	Not Allowed	10 miles



CITY OF MORENO VALLEY
 Perris Widening Project
RELOCATION PLAN SUMMARY
POSSIBLE RELOCATION OF MOBILE HOMES
PARKS WITH SPACES AVAILABLE

ATTORNEY-CLIENT

Date

Mobile Home Park	Park Address	Available Spaces	Space Rent Amount	Accepts Outside Mobile Homes	Distance from Project Site
Mission Mobile Manor 951-685-6580	8110 Mission Blvd Riverside	1 space	\$518.00	Yes, 1990 or newer	21 miles
Ranco Caballero Mobile Community 951-780-9272	15181 Van Buren Boulevard Riverside	1 space	\$681.69	Yes, did not know if any restrictions	16 miles
Elm Trailer Park 951-781-3938	5741 Mission Boulevard Riverside	None	\$395.00	Not Allowed	18 miles
Jurupa Hills Cascade Mobile Home 951-685-1557	6130 Camino Real Riverside	Possibly 1 space	\$755.00	Yes, must be 5 years or newer	21 miles
Mission Village Mobile Home Park Senior Park 951-687-4447	3700 Buchanan Avenue Riverside	2 spaces	\$525.00- \$550.00	Yes, no model older than year 2000	26 miles
Palm Terrace Mobile Village 951-689-4650	12149 Indiana Street Riverside	3 spaces	\$617.00- \$643.00	Yes, must be year 1990 or newer	26 miles



CITY OF MORENO VALLEY
 Perris Widening Project
RELOCATION PLAN SUMMARY
PARKS WITH AVAILABLE HOMES FOR SALE

ATTORNEY-CLIENT

Date

Mobile Home Park	Property Address	Mobile Home Type	Space Rent Amount	Bedrooms/Baths	Asking Price	Distance from Project Site
El Sorrento Adult Mobile Home Park 951-242-3710	23820 Ironwood #201 Moreno Valley	Single	\$530.00	2 bed/1 bath	\$17,500	6 miles
El Sorrento Adult Mobile Home Park 951-242-3710	23820 Ironwood #33 Moreno Valley	Double	\$530.00	2 bed/ 2 bath	\$25,000	7.4 miles
El Sorrento Adult Mobile Home Park 951-242-3710	23820 Ironwood #124 Moreno Valley	Double	\$530.00	2 bed/ 2 bath	\$40,000	7.4 miles
El Sorrento Adult Mobile Home Park 951-242-3710	23820 Ironwood # 232 Moreno Valley	Triple	\$500.00	2 bed/ 2 bath	\$45,000	7.4 miles
El Sorrento Adult Mobile Home Park 951-242-3710	23820 Ironwood #47 Moreno Valley	Triple	\$550.00	2 bed/ 2 bath	\$40,000	7.4 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #35 Moreno Valley	Double	620.00	2 bed/2 bath	\$14,000	2 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #92 Moreno Valley	Double	620.00	2 bed/2 bath	\$25,000	2 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #64 Moreno Valley	Double	620.00	3 bed/2 bath	\$29,000	2 miles



CITY OF MORENO VALLEY
 Perris Widening Project
RELOCATION PLAN SUMMARY
PARKS WITH AVAILABLE HOMES FOR SALE

ATTORNEY-CLIENT

Date

Mobile Home Park	Property Address	Mobile Home Type	Space Rent Amount	Bedrooms/Baths	Asking Price	Distance from Project Site
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #88 Moreno Valley	Double	620.00	3 bed/2 bath	\$45,000	2 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #21 Moreno Valley	Single	620.00	2 bed/1 bath	\$15,000	2 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #50 Moreno Valley	Double	620.00	3 bed/2 bath	\$55,000	2 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #51 Moreno Valley	Double	620.00	3 bed/2 bath	\$20,000	2 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #62 Moreno Valley	Double	620.00	2 bed/1 bath	\$40,000	2 miles
Country Squire Mobile Estates 951-242-2817	26871 Alessandro Boulevard #8 Moreno Valley	Double	620.00	2 bed/2 bath	\$36,000	2 miles



CITY OF MORENO VALLEY
 Perris Widening Project
RELOCATION PLAN SUMMARY
PARKS WITH AVAILABLE HOMES FOR SALE

ATTORNEY-CLIENT

Date

Mobile Home Park	Property Address	Mobile Home Type	Space Rent Amount	Bedrooms/Baths	Asking Price	Distance from Project Site
Santiago Estates 951-242-6158	23530 Santiago Drive #33 Moreno Valley	Double	\$425.00	3 bed/ 2 baths	\$50,000	5.7 miles
Santiago Estates	23530 Santiago Drive #53 Moreno Valley	Double	\$350.00	3 bed/ 2 bath	\$68,000	5.7 miles
King Arthur's Mobile Home Park	177 Sir Bedivere Dr #177 Riverside	Double	\$595.00	2 bed/2/bath	\$29,000	10 miles
King Arthur's Mobile Home Park	144 Sir Damas Dr # 144 Riverside	Double	\$595.00	2 bed/2 bath	\$25,000	10miles
King Arthur's Mobile Home Park	183 Sir Bedivere Dr #183 Riverside	Double	\$603.00	2 bed/2 bath	\$54,000	10 miles
Lake Perris Village	350 San Jacinto Ave #62 Perris	Single	\$525.00	2 be/ 1 bath	\$25,000	8.92 miles
Lake Perris Village	350 San Jacinto Ave #51 Perris	Double	\$475.00	2 bed/ 2 bath	\$44,000	8.92 miles
Lake Perris Village	350 San Jacinto Ave #20 Perris	Double	\$470.00	3 bed/2 bath	\$48,330	8.92 miles
Lakeview Family Park	11050 Bryant #198 Yucaipa	Double	\$457.00	2 be/ 2 bath	\$49,000	20 miles



CITY OF MORENO VALLEY
 Perris Widening Project
RELOCATION PLAN SUMMARY
PARKS WITH AVAILABLE HOMES FOR SALE

ATTORNEY-CLIENT

Date

Mobile Home Park	Property Address	Mobile Home Type	Space Rent Amount	Bedrooms/Baths	Asking Price	Distance from Project Site
Lakeview Family Park	11050 Bryant #47 Yucaipa	Double	\$380.00	2 bed/ 1.5 bath	\$39,800	20 miles
Lakeview Family Park	11050 Bryant #229 Yucaipa	Double	\$440.00	2 bed/2 bath	\$36,000	20 miles
Lakeview Family Park	11050 Bryant #90 Yucaipa	Double	\$450.00	2 bed/2 bath	\$29,000	20 miles
Lakeview Family Park	11050 Bryant #126 Yucaipa	Double	\$428.00	2 bed/2 bath	\$34,000	20 miles
Lakeview Family Park	11050 Bryant #145 Yucaipa	Double	\$428.00	2 bed/2 bath	\$29,000	20 miles
Lakeview Family Park	11050 Bryant #293 Yucaipa	Single	\$350.00	2 bed/2 bath	\$19,900	20 miles
Lakeview Family Park	11050 Bryant # 205 Yucaipa	Double	\$450.00	2 bed/2 bath	\$22,000	20 miles
Lakeview Family Park	11050 Bryant #122 Yucaipa	Double	\$350.00	2 bed/2 bath	\$24,000	20 miles
Mission Village	3600 Buchanan #26 Riverside	Double	\$550.00	2 bed/2 bath	\$12,500	26 miles



CITY OF MORENO VALLEY
 Perris Widening Project
RELOCATION PLAN SUMMARY
PARKS WITH AVAILABLE HOMES FOR SALE

ATTORNEY-CLIENT

Date

Mobile Home Park	Property Address	Mobile Home Type	Space Rent Amount	Bedrooms/Baths	Asking Price	Distance from Project Site
Mission Village	3600 Buchanan #126 Riverside	Double	\$411.00	2 bed/2 bath	\$20,000	26 miles
Mission Village	3600 Buchanan #118 Riverside	Double	\$576.00	2 bed/2 bath	\$25,000	26 miles
Mission Village	3600 Buchanan #89 Riverside	Double	\$518.00	2 bed/2 bath	\$24,500	26 miles
Pembroke Downs	12400 Cypress Ave #88 Chino	Double	\$541.00	2 bed/2 bath	\$45,000	30 miles
Lamplighter	4400 Philadelphia #2 Chino	Double	\$464.00	2 bed/2 bath	\$61,000	32 miles
Park Vista	1601 S. Garey Ave #81 Pomona	Double	\$680.00	2 bed/2 bath	\$45,000	35 miles

ATTACHMENT 5

**SAMPLE INFORMATIONAL BROCHURE
FOR
DISPLACED HOUSEHOLDS**

Relocation Assistance Informational Statement for Families and Individuals

(CA State)

Displacing Agency:

**City of Moreno Valley – Public Works Department/Capital Projects
Division**

Project Name:

**Perris Boulevard Widening from Perris Valley Storm Drain Lateral
“B” (Southerly City Limits) to Cactus Avenue**

Displacing Agency Representative:



**Overland, Pacific & Cutler, Inc.
2280 Market St., Suite 340
Riverside, CA 92501
Phone: (951)683-2353**

Informational Statement Content:

1. General Information
2. Assistance In Locating A Replacement Dwelling
3. Moving Benefits
4. Replacement Housing Payment - Tenants And Certain Others
5. Section 8 Tenants
6. Replacement Housing Payment – Homeowners
7. Qualification For And Filing Of Relocation Claims
8. Last Resort Housing Assistance
9. Rental Agreement
10. Evictions
11. Appeal Procedures – Grievance
12. Tax Status of Relocation Benefits
13. Additional Information And Assistance Available

Spanish speaking representatives are available. Si necesita esta información en español, por favor llame a su representante.

Informational Statement for Families and Individuals

(CA State)

1. GENERAL INFORMATION

The dwelling in which you now live is in a project area to be improved by, or financed through, the Displacing Agency using state and/or local funds. If and when the project proceeds, and it is necessary for you to move from your dwelling, you may be eligible for certain benefits. You will be notified in a timely manner as to the date by which you must move. Please read this information, as it will be helpful to you in determining your eligibility and the amount of the relocation benefits you may receive under the state law. We suggest you save this informational statement for reference.

The Displacing Agency has retained the professional firm of **Overland, Pacific & Cutler, Inc. (OPC)** to provide relocation assistance to you. The firm is available to explain the program and benefits. Their address and telephone number is listed on the cover.

PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE YOUR DWELLING. However, if you desire to move sooner than required, you must contact your representative with Overland, Pacific & Cutler, Inc., so you will not jeopardize any benefits. This is a general informational brochure only, and is not intended to give a detailed description of either the law or regulations pertaining to the Displacing Agency's relocation assistance program.

Please continue to pay your rent to your current landlord, otherwise you may be evicted and jeopardize the relocation benefits to which you may be entitled to receive. Once the Displacing Agency acquires the property, you will also be required to pay rent to the Displacing Agency.

2. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING

The Displacing Agency, through its representatives, will assist you in locating a comparable replacement dwelling by providing referrals to appropriate and available housing units. You are encouraged to actively seek such housing yourself.

When a suitable replacement dwelling unit has been found, your relocation consultant will carry out an inspection and advise you as to whether the dwelling unit meets decent, safe and sanitary housing requirements. A decent, safe and sanitary housing unit provides adequate space for its occupants, proper weatherproofing and sound heating, electrical and plumbing systems. Your new dwelling must pass inspection before relocation assistance payments can be authorized.

3. MOVING BENEFITS

If you must move as a result of displacement by the Displacing Agency, you will receive a payment to assist in moving your personal property. The actual, reasonable and necessary expenses for moving your household belongings may be determined based on the following methods:

- A Fixed Moving Payment based on the number of rooms you occupy (see below); **or**
- A payment for your Actual Reasonable Moving and Related Expenses based on at least two written estimates and receipted bills; **or**
- A combination of both.

For example, you may choose a Self Move, receiving a payment based on the Fixed Residential Moving Cost Schedule shown below, plus contract with a professional mover to transport your grand piano and /or other items that require special handling. In this case, there may be an adjustment in the number of rooms which qualify under the Fixed Residential Moving Cost Schedule.

A. Fixed Moving Payment

A Fixed Moving Payment is based upon the number of rooms you occupy and whether or not you own your own furniture. The payment is based upon a schedule approved by the Displacing Agency, and ranges, for example, from \$400.00 for one furnished room to \$2,150.00 for eight rooms in an unfurnished dwelling. (For details see the table). Your relocation representative will inform you of the amount you are eligible to receive, if you choose this type of payment.

If you select a fixed payment, you will be responsible for arranging for your own move, and the Displacing Agency will assume no liability for any loss or damage of your personal property. A fixed payment also includes utility hook-up, credit check and other related moving fees.

Fixed Moving Schedule CALIFORNIA Effective 6-15-2005	
Occupant Owns Furniture:	
1 room	\$625
2 rooms	\$800
3 rooms	\$1,000
4 rooms	\$1,175
5 rooms	\$1,425
6 rooms	\$1,650
7 rooms	\$1,900
8 rooms	\$2,150
Each additional room	\$225
Occupant does NOT Own Furniture:	
1 room	\$400
Each additional room	\$65

B. Actual Moving Expense (Professional Move)

If you wish to engage the services of a licensed commercial mover and have the Displacing Agency pay the bill, you may claim the ACTUAL cost of moving your personal property up to 50 miles. Your relocation representative will inform you of the number of competitive moving bids (if any) which may be required, and assist you in developing a "mover" scope of services for Displacing Agency approval.

4. REPLACEMENT HOUSING PAYMENT - TENANTS AND CERTAIN OTHERS

You may be eligible for a payment of up to \$5,250.00 to assist you in renting or purchasing a comparable replacement dwelling. In order to qualify, you must either be a tenant who has occupied your present dwelling for at least 90 days prior to the initiation of negotiations or an owner who has occupied your dwelling between 90 and 180 days prior to the initiation of negotiations.

A. Rental Assistance. If you qualify, and **wish to rent** your replacement dwelling, your rental assistance benefits will be based upon the difference over a forty-two (42) month period between the rent you must pay for a comparable replacement dwelling and the lesser of your current rent and estimated utilities or thirty percent (30%) of your gross monthly household income. You will be required to

provide your relocation representative with monthly rent and household income verification prior to the determination of your eligibility for this payment.

- OR -

- B. **Down-payment Assistance.** If you qualify, and **wish to purchase** a home as a replacement dwelling, you can apply up to the total amount of your rental assistance payment towards the down-payment and non-recurring incidental expenses. Your relocation representative will clarify procedures necessary to apply for this payment.

5. SECTION 8 TENANTS

When you do move, you may be eligible to transfer your Section 8 eligibility to a replacement site. In such cases, a comparable replacement dwelling will be determined based on your family composition at the time of displacement and the current housing program criteria. This may not be the size of the unit you currently occupy. Your relocation representative will provide counseling and other advisory services along with moving benefits.

6. REPLACEMENT HOUSING PAYMENT - HOMEOWNERS

- A. If you own and occupy a dwelling to be purchased by the Displacing Agency for **at least 180 days** prior to the initiation of negotiations, you may be eligible to receive a payment of up to \$22,500.00 to assist you in purchasing a comparable replacement unit. This payment is intended to cover the following items:
1. **Purchase Price Differential** - An amount which, when added to the amount for which the Displacing Agency purchased your property, equals the lesser of the actual cost of your replacement dwelling; **or** the amount determined by the Displacing Agency as necessary to purchase a comparable replacement dwelling. Your relocation representative will explain both methods to you.
 2. **Mortgage Interest Differential** - The amount which covers the increased interest costs, if any, required to finance a replacement dwelling. Your relocation representative will explain limiting conditions.
 3. **Incidental Expenses** - Those one time incidental costs related to purchasing a replacement unit, such as escrow fees, recording fees, and credit report fees. Recurring expenses such as prepaid taxes and insurance premiums are not compensable.
- B. **Rental Assistance Option** - If you are an owner-occupant and choose to rent rather than purchase a replacement dwelling, you may be eligible for a rental assistance payment of up to the amount that could have been received under the Purchase Price Differential, explained above. The payment will be based on the difference between an economic rent of the dwelling you occupy and the rent you must pay for a comparable replacement dwelling.

If you receive a rental assistance payment, as described above, and later decide to purchase a replacement dwelling, you may apply for a payment equal to the amount you would have received, if you had initially purchased a comparable replacement dwelling, less the amount you have already received as a rental assistance payment.

7. QUALIFICATION FOR, AND FILING OF, RELOCATION CLAIMS

To qualify for a Replacement Housing Payment, you must rent or purchase and occupy a comparable replacement unit **within one year from the following:**

- For a tenant, the date you move from the displacement dwelling.
- For an owner-occupant, the latter of:
 - a. The date you receive final payment for the displacement dwelling, or, in the case of condemnation, the date the full amount of estimated just compensation is deposited in court,; or
 - b. The date you move from the displacement dwelling.

All claims for relocation benefits must be filed with the Displacing Agency **within eighteen (18) months** from the date on which you receive final payment for your property, or the date on which you move, whichever is later.

8. LAST RESORT HOUSING ASSISTANCE

If comparable replacement dwellings are not available when you are required to move, or if replacement housing is not available within the monetary limits described above, the Displacing Agency will provide Last Resort Housing assistance to enable you to rent or purchase a replacement dwelling on a timely basis. Last Resort Housing assistance is based on the individual circumstances of the displaced person. Your relocation representative will explain the process for determining whether or not you qualify for Last Resort assistance.

If you are a tenant, and you choose to purchase rather than rent a comparable replacement dwelling, the entire amount of your rental assistance and Last Resort eligibility must be applied toward the down-payment and eligible incidental expenses of the home you intend to purchase.

9. RENTAL AGREEMENT

As a result of the Displacing Agency's action to purchase the property where you live, you may become a tenant of the Displacing Agency. If this occurs, you will be asked to sign a rental agreement which will specify the monthly rent to be paid, when rent payments are due, where they are to be paid and other pertinent information.

10. EVICTIONS

Any person, who occupies the real property and is not in unlawful occupancy, is presumed to be entitled to relocation benefits. Except for the causes of eviction set forth below, no person lawfully occupying property to be purchased by the Agency will be required to move without having been provided with at least 90 days written notice from the Agency. Eviction will be undertaken only in the event of one or more of the following reasons:

- Failure to pay rent; except in those cases where the failure to pay is due to the lessor's failure to keep the premises in habitable condition, is the result of harassment or retaliatory action or is the result of discontinuation or substantial interruption of services;
- Performance of dangerous illegal act in the unit;

- Material breach of the rental agreement and failure to correct breach within the legally prescribed notice period;
- Maintenance of a nuisance and failure to abate within a reasonable time following notice;
- Refusal to accept one of a reasonable number of offers of replacement dwellings; or
- The eviction is required by State or local law and cannot be prevented by reasonable efforts on the part of the public entity.

11. APPEAL PROCEDURES - GRIEVANCE

Any person aggrieved by a determination as to eligibility for a relocation payment, or the amount of a payment, may have the claim reviewed or reconsidered in accordance with the Displacing Agency's appeals procedure. Complete details on appeal procedures are available upon request from the Displacing Agency.

12. TAX STATUS OF RELOCATION BENEFITS

California Government Code Section 7269 indicates no relocation payment received shall be considered as income for the purposes of the Personal Income Tax Law, Part 10 (commencing with Section 170 01) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code. Furthermore, federal regulations (49 CFR Part 24, Section 24.209) also indicate that no payment received under this part (Part 24) shall be considered as income for the purpose of the Internal Revenue Code of 1954, which has been redesignated as the Internal Revenue Code of 1986. No federal dollars are anticipated for this project. Therefore, federal regulations may not apply and the IRS may consider relocation payments as income. The preceding statement is not tendered as legal advice in regard to tax consequences, and displacees should consult with their own tax advisor or legal counsel to determine the current status of such payments.

(IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or (ii) promoting marketing or recommending to another party any matters addressed herein).

13. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE

Those responsible for providing you with relocation assistance hope to assist you in every way possible to minimize the hardships involved in relocating to a new home. Your cooperation will be helpful and greatly appreciated. If you have any questions at any time during the process, please do not hesitate to contact your relocation representative at Overland, Pacific & Cutler.

ATTACHMENT 6

Fixed Payment Moving Schedule	
Occupant Owns Furniture	
One room	\$625.00
Two rooms	\$800.00
Three rooms	\$1,000.00
Four rooms	\$1,175.00
Five rooms	\$1,425.00
Six rooms	\$1,650.00
Seven rooms	\$1,900.00
Eight rooms	\$2,150.00
each additional room	\$225.00
Occupant Does NOT Own Furniture	
First Room	\$400.00
each additional room	\$65.00

Source: Federal Highway Administration (effective 8-22-08)

ATTACHMENT 7
PROCEDURES
FOR
RELOCATION PAYMENTS AND ASSISTANCE

Claims and supporting documentation for relocation benefits must be filed with the Agency within 18 months from:

- The date the claimant moves from the acquired property; **or**,
- The date on which final payment for the acquisition of real property is made, whichever is later.

The procedure for the preparation and filing of claims, and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance.
2. Assistance amounts will be determined in accordance with the provisions of California Relocation Law.
3. Required claim forms will be prepared by relocation personnel in conjunction with claimant(s). Signed claims and supporting documentation will be submitted by relocation personnel to the Agency.
4. The Agency will review and approve claims for payment or request additional information.
5. The Agency will issue benefit checks which will be available at the Agency offices for pick-up by OPC, unless circumstances dictate otherwise.
6. Final payments will be issued after confirmation that the Project area premises have been completely vacated, and actual residency at the replacement unit is verified.
7. Receipts of payment will be maintained in the relocation case file.

ATTACHMENT 8

APPEALS POLICY AND PROCEDURES

The Agency's Policy and Procedures for appeals will follow the standards described in Article 5, Section 6150, Title 25, Chapter 6, State of California, Department of Housing and Community Development Program guidelines.

Briefly stated, displacees will have the right to ask for administrative review when they believe themselves aggrieved by a determination as to:

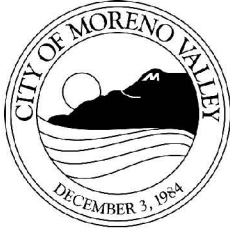
1. eligibility;
2. the amount of payment;
3. the failure to provide comparable replacement housing referrals; or
4. the Agency's property management practices.

Requests for review will be directed first to Mr. Larry Gonzales, Senior Engineer, City of Moreno Valley or other authorized designee of the Agency. Details concerning the entire appeals process will be provided upon request.

ATTACHMENT 9

**PLAN ADDENDUM
(PUBLIC COMMENTS AND AGENCY RESPONSE)**

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>But</i>
CITY MANAGER	<i>WBS</i>

Report to City Council

TO: Mayor and City Council

FROM: Steve Hargis, Acting Financial & Administrative Services Director

AGENDA DATE: August 24, 2010

TITLE: RECEIPT OF QUARTERLY INVESTMENT REPORT – QUARTER ENDED JUNE 30, 2010

RECOMMENDED ACTION

Staff recommends that the City Council receive and file the attached Quarterly Investment Report, in compliance with the City's Investment Policy.

BACKGROUND

In response to the Orange County bankruptcy and investment problems, and in order to deal with tightening regulations and controls over local investment of public funds, Senate Bills 866 and 564 were signed into law and became effective January 1, 1996, creating California Government Code Sections 53601 and 53646 respectively. The City's Investment Policy, adopted December 17, 1996 (and revised most recently on March 23, 2010), is in full compliance with the requirements of both of the above-mentioned Code Sections in addressing the types of investments allowed, the governing restrictions on these investments, the third-party custodian arrangement for certain investments, and the quarterly reporting requirements.

DISCUSSION

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended June 30, 2010. This is the fourth quarterly report submitted for the 2009-10 fiscal year and is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's

Investment Policy and Government Code Section 53601 as to the types of investments allowed. As stated in the attached report, there is more than adequate liquidity within the portfolio for the City to meet its budgeted expenditures over the next six months.

The City has now transitioned the management of its general investment portfolio to Chandler Asset Management. As a result, the City's investment approach has changed from *passive* to *active*, as discussed in past meetings with the Finance Sub-Committee and the City Council. Utilizing an *active* approach, securities purchased for investment are not necessarily held to maturity but may be actively traded based on market conditions and the City's investment goals. The City's cash flow requirements are evaluated on an ongoing basis, with short-term needs accommodated through the City's pooled investment funds with the State Local Agency Investment Fund (LAIF). LAIF is a pool of public funds managed by the State Treasurer of California, providing 24-hour liquidity while yielding a rate of return approximately equivalent to a one-year treasury bill. With the combined use of a conservative approach to evaluating cash flow needs and LAIF liquidity, the City will not have to liquidate securities at current market rates that are intended to be held for longer-term investment. This is especially important considering that the average maturity of the general portfolio is 2.32 years.

In accordance with California Government Code Section 53646, the City is properly reporting investments of all bond proceeds and Deferred Compensation Plan funds. These funds are not managed by the City Treasurer as part of the pooled investment program and were not included in the City's investment reports prior to the current legislation. Bond proceeds are held and invested by a Trustee; Deferred Compensation Plan funds are held and invested by the respective plan administrators.

FISCAL IMPACT

None

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

SUMMARY

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended June 30, 2010. This report is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. It is recommended that the City Council receive and file the attached Quarterly Investment Report.

ATTACHMENTS/EXHIBITS

Attachment 1 - Treasurer's Cash and Investments Report – June 2010

Prepared By:
 Brooke McKinney
 Treasury Operations Division Manager
 Acting City Treasurer

Department Head Approval:
 Steve Hargis
 Acting Financial & Administrative Services Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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CITY OF MORENO VALLEY

Treasurer's Cash and Investments Report

June 2010

General Portfolio	Cost Value	Market Value	Par Value	Average Maturity	Average Duration
Bank Accounts	1,996,398	1,996,398	1,996,398		
State of California LAIF Pool Investments	48,497,791	48,497,791	48,497,791	2.32	1.93
Total General Portfolio	223,275,407	224,111,570	218,263,824	Years	Years

Bond Proceeds with Fiscal Agents

	Market Value
Construction Funds	14,518,020
Principal & Interest Accounts	1,256,917
Debt Service Reserve Funds	7,890,608
Custody Accounts	0
Arbitrage Rebate Accounts	14,481
Other Accounts	643,477
Total Bond Proceeds	24,323,503

Deferred Compensation Funds

	Market Value
Nationwide	8,064,586
ICMA	3,820,694
Total Deferred Compensation Funds	11,885,280

Total Investment Portfolio

260,320,353

1. I hereby certify that the investments are in compliance with the investment policy adopted by the City Council. There are no items of non-compliance for this period.
2. The market values for the specific investments in the General Portfolio are provided by the City's investment custodian.
3. The market value for LAIF is provided by the State Treasurer.
4. The market values for investments held by fiscal agents and the deferred compensation plans are provided by each respective trustee or fiscal agent.
5. The City has the ability to meet its budgeted expenditures for the next six months pending any future action by City Council or any unforeseen catastrophic event.



Brooke McKinney
Acting City Treasurer

Attachment 1



PORTFOLIO CHARACTERISTICS

Average Duration	1.93
Average Coupon	2.57 %
Average Purchase YTM	1.80 %
Average Market YTM	1.07 %
Average S&P Rating	AAA
Average Final Maturity	2.32 yrs
Average Life	2.02 yrs

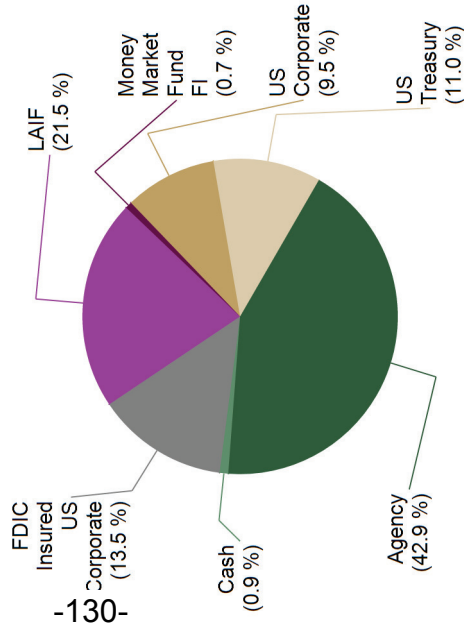
ACCOUNT SUMMARY

Market Value	Beg. Values as of 5/31/10	End Values as of 6/30/10
Accrued Interest	222,560,233	224,111,570
Total Market Value	1,353,493	1,298,071
Income Earned	223,913,726	225,409,641
Cont/W/D	336,937	327,036
Par	217,812,364	218,263,824
Book Value	222,346,418	222,839,437
Cost Value	222,652,020	223,275,407

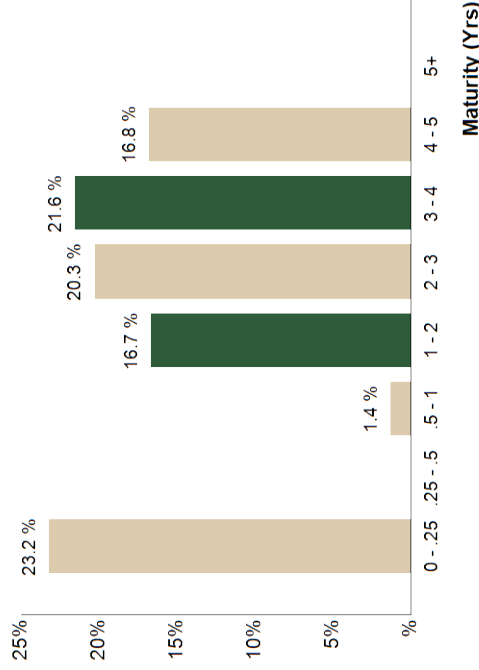
TOP ISSUERS

Issuer	% Portfolio
Local Agency Investment Fund	21.5 %
Government of United States	11.0 %
Federal National Mortgage Assoc	10.8 %
Federal Home Loan Mortgage Corp	10.4 %
Federal Home Loan Bank	9.0 %
Federal Farm Credit Bank	8.4 %
Tennessee Valley Authority	3.8 %
US Bank Corp FDIC Insured	2.3 %
	77.3 %

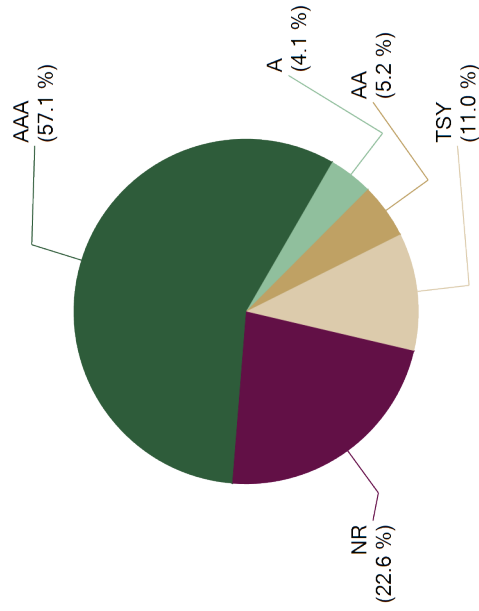
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY





**City of Moreno Valley
Treasurer's Cash and Investments Report**

Holdings Report
As of 6/30/10

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody S&P	Term (yrs) Duration
307692AA1	FAMCA Note 4.875% Due 1/14/2011	1,000,000.00	06/05/2006 5.47 %	976,000.00 997,192.40	102.44 0.34 %	1,024,375.00 22,614.58	0.46 % 27,182.60	Aa3 AAA	0.54 0.53
31331YK82	FFCB Note 3.25% Due 5/2/2011	1,000,000.00	05/19/2008 3.38 %	996,360.00 998,970.13	102.34 0.45 %	1,023,438.00 5,326.39	0.46 % 24,467.87	Aaa AAA	0.84 0.83
3133XTRU2	FHLB Note 1.3% Due 6/1/2011	1,000,000.00	06/01/2009 1.30 %	1,000,000.00 1,000,000.00	100.69 0.55 %	1,006,875.00 1,083.33	0.45 % 6,875.00	Aaa AAA	0.92 0.91
3133XUHK2	FHLB Callable Note 1X 8/24/2010 1.375% Due 8/24/2011	1,000,000.00	08/24/2009 1.38 %	1,000,000.00 1,000,000.00	100.13 0.54 %	1,001,250.00 4,850.69	0.45 % 1,250.00	Aaa AAA	0.15 0.15
3133XRW30	FHLB Callable Note 1X 7/28/10 4% Due 10/28/2011	1,000,000.00	10/28/2008 4.00 %	1,000,000.00 1,000,000.00	100.28 0.38 %	1,002,813.00 17,000.00	0.45 % 2,813.00	Aaa AAA	0.08 0.08
3136FH4A0	FNMA Callable Note 1X 8/17/10 1.55% Due 11/17/2011	1,000,000.00	08/17/2009 1.58 %	999,375.00 999,616.79	100.16 0.35 %	1,001,563.00 1,894.44	0.45 % 1,946.21	Aaa AAA	0.13 0.13
3133XSWM6	FHLB Note 2.1% Due 1/23/2012	1,000,000.00	01/23/2009 2.10 %	1,000,000.00 1,000,000.00	102.25 0.65 %	1,022,500.00 9,216.67	0.46 % 22,500.00	Aaa AAA	1.57 1.53
3133XT2T2	FHLB Note 2.25% Due 2/10/2012	1,000,000.00	02/10/2009 2.25 %	1,000,000.00 1,000,000.00	102.56 0.65 %	1,025,625.00 8,812.50	0.46 % 25,625.00	Aaa AAA	1.62 1.57
3128X8MS8	FHLMC Callable Note 1X 9/2/10 2.35% Due 3/2/2012	1,000,000.00	03/02/2009 2.43 %	997,800.00 998,775.55	100.28 0.72 %	1,002,797.00 7,768.06	0.45 % 4,021.45	Aaa AAA	0.18 0.17
3136FHNFB	FNMA Callable Note 1X 11/04/2010 1.625% Due 5/4/2012	1,000,000.00	06/07/2009 1.62 %	1,000,000.00 1,000,000.00	100.22 0.99 %	1,002,188.00 2,572.92	0.45 % 2,188.00	Aaa AAA	0.35 0.34
31331XG30	FFCB Note 5.45% Due 6/21/2012	1,000,000.00	06/29/2007 5.33 %	1,005,380.00 1,002,132.48	109.19 0.75 %	1,091,875.00 1,513.89	0.49 % 89,742.52	Aaa AAA	1.98 1.89
31331GZ36	FFCB Callable Note 1X 10/19/10 1.55% Due 7/19/2012	1,000,000.00	10/19/2009 1.55 %	1,000,000.00 1,000,000.00	100.34 0.41 %	1,003,438.00 6,975.00	0.45 % 3,438.00	Aaa AAA	0.30 0.30
3136F9YP2	FNMA Callable Note 1X 07/23/2010 4.22% Due 7/23/2012	1,000,000.00	07/23/2008 4.22 %	1,000,000.00 1,000,000.00	100.22 0.78 %	1,002,188.00 18,521.11	0.45 % 2,188.00	Aaa AAA	0.06 0.06
31331XT36	FFCB Note 5.25% Due 8/1/2012	1,000,000.00	08/01/2007 5.25 %	1,000,000.00 1,000,000.00	109.19 0.80 %	1,091,875.00 21,875.00	0.49 % 91,875.00	Aaa AAA	2.09 1.96
3133XT4J2	FHLB Note 2.45% Due 8/13/2012	1,000,000.00	02/13/2009 2.45 %	1,000,000.00 1,000,000.00	103.41 0.83 %	1,034,063.00 9,391.67	0.46 % 34,063.00	Aaa AAA	2.12 2.05
3136FHAK1	FNMA Callable Note 1X 08/27/2010 2.625% Due 8/27/2012	1,000,000.00	02/27/2009 2.63 %	1,000,000.00 1,000,000.00	100.28 0.84 %	1,002,813.00 9,041.67	0.45 % 2,813.00	Aaa AAA	0.16 0.16
31331GZ44	FFCB Note 1.55% Due 10/15/2012	1,000,000.00	10/15/2009 1.55 %	1,000,000.00 1,000,000.00	101.47 0.90 %	1,014,688.00 3,272.22	0.45 % 14,688.00	Aaa AAA	2.30 2.24
6FHJU0	FNMA Callable Note 1X 4/29/11 2.25% Due 10/29/2012	1,000,000.00	04/29/2009 2.28 %	999,150.00 999,434.44	101.31 0.66 %	1,013,125.00 3,875.00	0.45 % 13,690.56	Aaa AAA	0.83 1.14
3XSKL1	FHLB Callable Note 1X 11/5/10 4.125% Due 11/5/2012	1,000,000.00	11/05/2008 4.13 %	1,000,000.00 1,000,000.00	101.22 0.60 %	1,012,188.00 6,416.67	0.45 % 12,188.00	Aaa AAA	0.35 0.35
8X7SV7	FHLMC Callable Note 1X 11/23/2010 3.7% Due 11/23/2012	2,000,000.00	05/23/2008 3.79 %	1,992,500.00 1,996,006.08	101.23 0.59 %	2,024,620.00 7,811.11	0.90 % 28,613.92	Aaa AAA	0.40 0.40

Item No. A.10



City of Moreno Valley
Treasurer's Cash and Investments Report

Holdings Report

As of 6/30/10

Item No. A.10

SIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody S&P	Term (yrs) Duration
31GKF5	FFCB Note 2.5% Due 1/14/2013	1,000,000.00	01/14/2009 2.30 %	1,007,520.00 1,004,776.56	103.66 1.04 %	1,036,563.00 11,597.22	0.47 % 31,786.44	Aaa AAA	2.55 2.44
31398ALB6	FNMA Callable Note 1X 01/18/2011 4% Due 1/18/2013	1,000,000.00	01/18/2008 4.00 %	1,000,000.00 1,000,000.00	101.69 0.92 %	1,016,875.00 18,111.11	0.46 % 16,875.00	Aaa AAA	0.55 0.54
3133XUDM2	FHLB Callable Note 1X 2/14/11 2.4% Due 2/14/2013	1,000,000.00	08/14/2009 2.40 %	1,000,000.00 1,000,000.00	101.06 0.69 %	1,010,625.00 9,133.33	0.45 % 10,625.00	Aaa AAA	0.63 0.61
880591CW0	Tennessee Valley Authority Note 6% Due 3/15/2013	3,725,000.00	Various 1.87 %	4,194,744.63 4,126,370.46	112.91 1.15 %	4,205,804.38 65,808.34	1.90 % 79,433.92	Aaa AAA	2.71 2.50
3128X8TZ5	FHLMC Callable Note 1X 04/08/2011 2.5% Due 4/8/2013	1,000,000.00	04/08/2009 2.50 %	1,000,000.00 1,000,000.00	101.53 0.51 %	1,015,328.00 5,763.89	0.45 % 15,328.00	Aaa AAA	0.77 1.08
31331GVD8	FFCB Note 2.2% Due 4/8/2013	1,000,000.00	05/08/2009 2.20 %	1,000,000.00 1,000,000.00	102.84 1.15 %	1,028,438.00 5,072.22	0.46 % 28,438.00	Aaa AAA	2.78 2.68
3128X8B84	FHLMC Callable Note 1X 05/13/2011 2.4% Due 5/13/2013	1,000,000.00	05/13/2009 2.40 %	1,000,000.00 1,000,000.00	101.64 0.51 %	1,016,366.00 3,200.00	0.45 % 16,366.00	Aaa AAA	0.87 1.42
31331GXN4	FFCB Callable Note Cont 6/3/11 2.7% Due 6/3/2013	1,000,000.00	06/03/2009 2.70 %	1,000,000.00 1,000,000.00	101.78 0.76 %	1,017,813.00 2,100.00	0.45 % 17,813.00	Aaa AAA	0.93 0.91
3134A4TZ7	FHLMC Note 4.5% Due 7/15/2013	3,900,000.00	05/12/2010 1.59 %	4,250,028.90 4,235,230.44	110.00 1.15 %	4,290,000.00 80,925.00	1.94 % 54,769.56	Aaa AAA	3.04 2.82
30591DW9	Tennessee Valley Authority Note 4.75% Due 8/1/2013	3,750,000.00	03/15/2010 1.90 %	4,097,325.00 4,067,208.49	109.91 1.45 %	4,121,591.25 74,218.75	1.86 % 54,382.76	Aaa AAA	3.09 2.85
3133XUEC3	FHLB Callable Note Cont 8/12/11 2.65% Due 8/12/2013	1,000,000.00	08/12/2009 2.65 %	1,000,000.00 1,000,000.00	102.06 0.79 %	1,020,625.00 10,231.94	0.46 % 20,625.00	Aaa AAA	1.12 1.09
3136FJGM7	FNMA Callable Note 1X 10/22/10 2.5% Due 10/22/2013	1,000,000.00	10/22/2009 2.50 %	1,000,000.00 1,000,000.00	100.63 0.49 %	1,006,250.00 4,791.67	0.45 % 6,250.00	Aaa AAA	0.31 0.31
3133XSLV8	FHLB Callable Note 1X 11/26/10 3.5% Due 11/26/2013	1,000,000.00	11/26/2008 3.50 %	1,000,000.00 1,000,000.00	101.28 0.34 %	1,012,813.00 3,402.78	0.45 % 12,813.00	Aaa AAA	0.41 0.40
3133XHW57	FHLB Note 4.875% Due 12/13/2013	1,000,000.00	06/18/2009 2.96 %	1,080,060.00 1,061,595.89	111.44 1.47 %	1,114,375.00 2,437.50	0.50 % 52,779.11	Aaa AAA	3.46 3.20
3137EABX6	FHLMC Note 2.5% Due 1/7/2014	4,000,000.00	03/17/2010 2.09 %	4,059,384.00 4,054,901.38	103.69 1.42 %	4,147,488.00 48,333.33	1.86 % 92,586.62	Aaa AAA	3.53 3.33
3136F93Z4	FNMA Callable Note 1X 1/28/11 2% Due 1/28/2014	1,000,000.00	01/28/2009 2.00 %	1,000,000.00 1,000,000.00	100.75 0.70 %	1,007,500.00 8,500.00	0.45 % 7,500.00	Aaa AAA	0.58 0.57
3136FHDF9	FNMA Callable Note 1X 3/18/11 3.2% Due 3/18/2014	1,000,000.00	03/18/2009 3.20 %	1,000,000.00 1,000,000.00	101.97 0.44 %	1,019,688.00 9,155.56	0.46 % 19,688.00	Aaa AAA	0.72 1.01
3128X8QM7	FHLMC Callable Note 1X 03/24/2011 2.375% Due 3/24/2014	1,000,000.00	03/24/2009 2.40 %	999,000.00 999,254.11	101.61 0.18 %	1,016,064.00 6,399.31	0.45 % 16,809.89	Aaa AAA	0.73 0.73
3136FH11	FNMA Callable Note 1X 4/14/11 2% Due 4/14/2014	1,000,000.00	04/14/2009 2.00 %	1,000,000.00 1,000,000.00	100.66 1.16 %	1,006,563.00 4,277.78	0.45 % 6,563.00	Aaa AAA	0.79 0.78
3136FHGK5	FNMA Callable Note 1X 04/16/2012 3% Due 4/16/2014	1,000,000.00	04/16/2009 3.00 %	1,000,000.00 1,000,000.00	103.59 0.97 %	1,035,938.00 6,250.00	0.46 % 35,938.00	Aaa AAA	1.80 2.87



**City of Moreno Valley
Treasurer's Cash and Investments Report**

Holdings Report

As of 6/30/10

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody S&P	Term (yrs) Duration
31331GTJ8	FFCB Note 2.625% Due 4/17/2014	2,000,000.00	04/22/2010 2.25 %	2,028,120.00 2,026,786.47	103.94 1.55 %	2,078,750.00 10,791.67	0.93 % 51,963.53	Aaa AAA	3.80 3.60
3136FHMK8	FNMA Callable Note 1X 5/1/12 2.25% Due 5/1/2014	1,000,000.00	05/01/2009 2.25 %	1,000,000.00 1,000,000.00	102.81 0.71 %	1,028,125.00 3,750.00	0.46 % 28,125.00	Aaa AAA	1.84 2.50
3136FHPX7	FNMA Callable Note 1X 11/14/2011 2.125% Due 5/14/2014	1,000,000.00	05/14/2009 2.13 %	1,000,000.00 1,000,000.00	101.63 0.93 %	1,016,250.00 2,774.31	0.45 % 16,250.00	Aaa AAA	1.38 1.96
31398AXJ6	FNMA Note 2.5% Due 5/15/2014	3,100,000.00	Various 2.31 %	3,122,268.70 3,121,240.47	103.22 1.64 %	3,199,782.80 9,902.77	1.42 % 78,542.33	Aaa AAA	3.88 3.68
31331JQA4	FFCB Note 1.9% Due 6/2/2014	4,300,000.00	06/08/2010 1.96 %	4,289,551.00 4,289,673.59	101.16 1.59 %	4,349,720.90 6,581.39	1.93 % 60,047.31	Aaa AAA	3.93 3.76
3133X7FK5	FHLB Note 5.25% Due 6/18/2014	3,350,000.00	03/15/2010 2.34 %	3,742,991.85 3,715,949.97	113.97 1.60 %	3,817,954.80 6,351.04	1.70 % 102,004.83	Aaa AAA	3.97 3.62
3133XTXW1	FHLB Callable Note 1X 1/9/12 2.5% Due 7/9/2014	1,000,000.00	07/09/2009 2.50 %	1,000,000.00 1,000,000.00	103.00 0.52 %	1,030,000.00 11,944.44	0.46 % 30,000.00	Aaa AAA	1.53 1.49
31398AYN6	FNMA Callable Note 1X 07/28/2011 3% Due 7/28/2014	1,000,000.00	07/28/2009 3.00 %	1,000,000.00 1,000,000.00	101.91 1.21 %	1,019,063.00 12,750.00	0.46 % 19,063.00	Aaa AAA	1.08 2.18
3137EACD9	FHLMC Note 3% Due 7/28/2014	4,000,000.00	03/15/2010 2.41 %	4,097,476.00 4,090,936.86	105.28 1.66 %	4,211,252.00 51,000.00	1.89 % 120,315.14	Aaa AAA	4.08 3.80
31398AYY2	FNMA Note 3% Due 9/16/2014	1,500,000.00	04/15/2010 2.50 %	1,531,365.00 1,529,888.09	104.94 1.78 %	1,574,062.50 13,125.00	0.70 % 44,174.41	Aaa AAA	4.22 3.93
31331GL80	FFCB Note 3% Due 9/22/2014	4,000,000.00	03/17/2010 2.47 %	4,090,640.00 4,084,868.50	104.97 1.77 %	4,198,752.00 33,000.00	1.88 % 113,883.50	Aaa AAA	4.23 3.94
3136FJKD2	FNMA Callable Note 1X 10/27/2011 2.8% Due 10/27/2014	1,000,000.00	10/27/2009 2.80 %	1,000,000.00 1,000,000.00	102.47 0.92 %	1,024,688.00 4,977.78	0.46 % 24,688.00	Aaa AAA	1.33 2.94
31398AZV7	FNMA Note 2.625% Due 11/20/2014	4,100,000.00	03/12/2010 2.54 %	4,114,723.10 4,113,793.76	103.34 1.83 %	4,237,095.80 12,257.29	1.89 % 123,302.04	Aaa AAA	4.39 4.13
3137EACH0	FHLMC Note 2.875% Due 2/9/2015	4,250,000.00	04/15/2010 2.71 %	4,280,515.00 4,279,197.31	104.19 1.92 %	4,427,968.75 59,057.29	1.99 % 148,771.44	Aaa AAA	4.62 4.26
3133XWX95	FHLB Note 2.75% Due 3/13/2015	3,900,000.00	05/13/2010 2.52 %	3,940,950.00 3,939,835.71	103.06 2.06 %	4,019,437.50 44,091.67	1.80 % 79,601.79	Aaa AAA	4.70 4.36
Total Agency		91,875,000.00	2.49 %	93,893,228.18 93,733,635.93	1.21 %	95,783,907.68 831,897.30	42.86 % 2,050,271.75	Aaa AAA	2.60 2.51

CASH	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody S&P	Term (yrs) Duration
ASH\$00	Cash Custodial Cash Account	1,996,398.31	05/31/2010 0.00 %	1,996,398.31 1,996,398.31	1.00 0.00 %	1,996,398.31 0.00	0.89 % 0.00	NR NR	0.00 0.00
Total Cash		1,996,398.31	N/A	1,996,398.31 1,996,398.31	0.00 %	1,996,398.31 0.00	0.89 % 0.00	NR NR	0.00 0.00

Item No. A.10



**City of Moreno Valley
Treasurer's Cash and Investments Report**

Holdings Report
As of 6/30/10

Item No. A.10

SIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody S&P	Term (yrs) Duration
C INSURED US CORPORATE									
57UAF7	Morgan Stanley FDIC Guaranteed Note 2% Due 9/22/2011	4,825,000.00	Various 0.91 %	4,909,264.93 4,888,824.35	101.73 0.58 %	4,908,520.75 26,537.50	2.19 % 19,696.40	Aaa AAA	1.23 1.21
949744AAA4	Wells Fargo & Company FDIC Guaranteed Note 3% Due 12/9/2011	4,750,000.00	Various 1.07 %	4,919,063.75 4,880,247.99	103.36 0.66 %	4,909,514.50 8,708.33	2.18 % 29,266.51	Aaa AAA	1.44 1.42
06050BAG6	Bank of America Corp FDIC Guaranteed Note 2.1% Due 4/30/2012	5,035,000.00	Various 1.30 %	5,121,762.96 5,107,458.04	102.41 0.78 %	5,156,142.10 17,916.20	2.30 % 48,684.06	Aaa AAA	1.84 1.80
91160HAC1	US Bancorp FDIC Guaranteed Note 1.8% Due 5/15/2012	5,070,000.00	Various 1.39 %	5,111,546.49 5,108,437.04	101.91 0.77 %	5,166,613.92 11,661.00	2.30 % 58,176.88	Aaa AAA	1.88 1.84
38146FAA9	Goldman Sachs FDIC Guaranteed Note 3.25% Due 6/15/2012	4,855,000.00	Various 1.27 %	5,066,852.42 5,039,958.72	104.71 0.82 %	5,083,811.30 7,012.78	2.26 % 43,852.58	Aaa AAA	1.96 1.90
36967HAV9	GE Capital Corp FDIC Guaranteed Note 2.125% Due 12/21/2012	5,000,000.00	05/19/2010 1.27 %	5,107,970.00 5,103,614.52	102.81 0.97 %	5,140,440.00 2,951.39	2.28 % 36,825.48	Aaa AAA	2.48 2.41
Total FDIC Insured US Corporate		29,535,000.00	1.20 %	30,236,460.55 30,128,540.66	0.77 %	30,365,042.57 74,787.20	13.50 % 236,501.91	Aaa AAA	1.81 1.77
IF									
32 LAIF\$00	Local Agency Investment Fund State Pool	48,497,790.67	Various 0.55 %	48,497,790.67	1.00 0.55 %	48,497,790.67 58,370.52	21.54 % 0.00	NR NR	0.00 0.00
Total LAIF		48,497,790.67	0.55 %	48,497,790.67 48,497,790.67	0.55 %	48,497,790.67 58,370.52	21.54 % 0.00	NR NR	0.00 0.00
MONEY MARKET FUND FI									
431114701	Highmark Govt Money Market Fund	1.00	05/15/2010 0.05 %	1.00 1.00	1.00 0.05 %	1.00 0.00	0.00 % 0.00	Aaa AAA	0.00 0.00
431114701	Highmark Govt Money Market Fund	1,564,633.77	Various 0.05 %	1,564,633.77 1,564,633.77	1.00 0.05 %	1,564,633.77 0.00	0.69 % 0.00	Aaa AAA	0.00 0.00
Total Money Market Fund FI		1,564,634.77	0.05 %	1,564,634.77 1,564,634.77	0.05 %	1,564,634.77 0.00	0.69 % 0.00	Aaa AAA	0.00 0.00
US CORPORATE									
52517PA35	Lehman Brothers Holdings Note 4.5% Due 7/26/2010	1,000,000.00	08/25/2006 5.29 %	972,450.00 972,450.00	19.75 0.00 %	197,500.00 0.00	0.09 % (774,950.00)	NR NR	0.07 0.00
52517PR60	Lehman Brothers Holdings Note 5.25% Due 2/6/2012	1,000,000.00	02/06/2007 5.34 %	996,000.00 996,000.00	19.75 0.00 %	197,500.00 0.00	0.09 % (798,500.00)	NR NR	1.61 0.00
931142CL5	Wal-Mart Stores Note 4.25% Due 4/15/2013	2,100,000.00	05/07/2010 1.75 %	2,249,100.00 2,242,126.19	107.58 1.47 %	2,259,096.00 18,841.67	1.01 % 16,969.81	Aa2 AA	2.79 2.63
36962G4C5	General Electric Capital Corp Note 5.9% Due 5/13/2014	2,325,000.00	05/19/2010 3.14 %	2,562,336.00 2,556,116.16	110.38 3.03 %	2,566,372.20 18,290.00	1.15 % 10,256.04	Aa2 AA+	3.87 3.46



City of Moreno Valley
Treasurer's Cash and Investments Report

Holdings Report

As of 6/30/10

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody S&P	Term (yrs) Duration
US CORPORATE									
61747YCF0	Morgan Stanley Note 6% Due 5/13/2014	1,640,000.00	06/23/2010 4.42 %	1,731,430.00 1,731,236.16	105.96 4.31 %	1,737,721.04 13,120.00	0.78 % 6,484.88	A2 A	3.87 3.42
06406HBL2	Bank of New York Note 4.3% Due 5/15/2014	2,250,000.00	Various 2.93 %	2,368,375.40 2,361,272.35	107.40 2.29 %	2,416,574.25 12,362.50	1.08 % 55,301.90	Aa2 AA-	3.88 3.56
079860AG7	Bellsouth Corp Note 5.2% Due 9/15/2014	1,550,000.00	05/19/2010 2.60 %	1,713,261.50 1,709,322.49	111.12 2.40 %	1,722,358.45 23,732.22	0.77 % 13,035.96	A2 A	4.21 3.76
09247XAD3	Blackrock Inc Note 3.5% Due 12/10/2014	1,630,000.00	Various 2.84 %	1,674,920.75 1,674,373.85	103.71 2.61 %	1,690,479.52 3,327.92	0.75 % 16,105.67	A1 A+	4.45 4.10
713448BM9	Pepsico Inc. Note 3.1% Due 1/15/2015	1,665,000.00	Various 2.44 %	1,712,746.65 1,712,134.42	104.12 2.14 %	1,733,581.35 23,943.63	0.78 % 21,446.93	Aa3 A-	4.55 4.18
46625HHP8	JP Morgan Chase Note 3.7% Due 1/20/2015	1,575,000.00	03/25/2010 3.61 %	1,581,000.75 1,580,683.12	102.28 3.16 %	1,610,980.88 26,061.88	0.73 % 30,297.76	Aa3 A+	4.56 4.11
94980VAA6	Wells Fargo Bank Note 4.75% Due 2/9/2015	1,625,000.00	03/25/2010 3.94 %	1,682,687.50 1,679,668.40	104.66 3.64 %	1,700,738.00 30,446.18	0.77 % 21,069.60	Aa3 AA-	4.62 4.06
084670AV0	Berkshire Hathaway Note 3.2% Due 2/11/2015	2,485,000.00	06/09/2010 2.65 %	2,545,012.75 2,544,413.68	102.98 2.51 %	2,559,080.34 30,924.44	1.15 % 14,666.66	Aa2 AA+	4.62 4.23
74005PAR5	Praxair Note 4.625% Due 3/30/2015	675,000.00	06/07/2010 2.63 %	735,297.75 734,575.83	109.64 2.46 %	740,057.18 7,891.41	0.33 % 5,481.35	A2 A	4.75 4.25
Total US Corporate		21,520,000.00	3.17 %	22,524,619.05 22,494,372.65	2.65 %	21,132,039.21 208,941.85	9.47 % (1,362,333.44)	Aa3 AA-	4.07 3.67
US TREASURY									
912828GQ7	US Treasury Note 4.5% Due 4/30/2012	3,775,000.00	03/12/2010 1.00 %	4,051,944.29 4,013,450.10	107.24 0.53 %	4,048,245.83 28,620.24	1.81 % 34,795.73	TSY TSY	1.84 1.77
912828HE3	US Treasury Note 4.25% Due 9/30/2012	3,775,000.00	03/12/2010 1.22 %	4,061,086.87 4,027,863.88	108.13 0.61 %	4,081,718.75 40,328.55	1.83 % 53,854.87	TSY TSY	2.25 2.15
912828HK9	US Treasury Note 3.375% Due 11/30/2012	3,875,000.00	03/12/2010 1.29 %	4,089,651.65 4,066,258.74	106.38 0.71 %	4,122,031.25 11,077.10	1.83 % 55,772.51	TSY TSY	2.42 2.33
912828HM5	US Treasury Note 3.625% Due 12/31/2012	3,850,000.00	03/12/2010 1.35 %	4,089,735.55 4,064,401.46	107.24 0.70 %	4,128,824.70 379.25	1.83 % 64,423.24	TSY TSY	2.51 2.41
912828HV5	US Treasury Note 2.5% Due 3/31/2013	4,000,000.00	03/12/2010 1.48 %	4,121,575.90 4,109,768.17	104.53 0.83 %	4,181,248.00 25,136.61	1.87 % 71,479.83	TSY TSY	2.75 2.65
912828JQ4	US Treasury Note 2.75% Due 10/31/2013	4,000,000.00	05/10/2010 1.65 %	4,148,281.25 4,142,321.96	105.24 1.14 %	4,209,688.00 18,532.61	1.88 % 67,366.04	TSY TSY	3.34 3.18
Total US Treasury		23,275,000.00	1.33 %	24,562,275.51 24,424,064.31	0.76 %	24,771,756.53 124,074.36	11.04 % 347,692.22	TSY TSY	2.52 2.42
TOTAL PORTFOLIO		218,263,823.75	1.80 %	223,275,407.04 222,839,437.30	1.07 %	224,111,569.74 1,298,071.23	100.00 % 1,272,132.44	Aaa AAA	2.02 1.93
TOTAL MARKET VALUE PLUS ACCRUED				225,409,640.97					

Item No. A.10

CUSIP (Committee on Uniform Securities Identification Procedures) – A unique identification number assigned to all securities.

Security Description - The issuer name, coupon (periodic interest payment rate) and maturity.

Par Value/Units - The face value or number of units held in the portfolio.

Purchase Date - The settlement date on which the security was purchased.

Book Yield - The YTM that equates the current amortized value of the security to its periodic future cash flows.

Cost Value - The value at which the securities were purchased, excluding purchased interest.

Book Value - The value at which an asset is carried on a balance sheet. To calculate, take the cost of an asset +/- net accretion/amortization.

Mkt Price - The current fair value market price.

Mkt YTM – The internal rate of return that equates the periodic future cash flows (interest payments and redemption value) to the market price, assuming that all cash flows are invested at the YTM rate.

Market Value - The current fair value of an investment as determined by transactions between willing buyers and sellers.

Accrued Int. - The interest that has accumulated on a bond since the last interest payment up to, but not including, the settlement date.

% of Port. - The % of the portfolio that the security represents based on market value, including accrued interest.

Gain/Loss – The unrealized gain or loss on the security, compared to either cost or amortized value, as of the date of the report.

Moody - The Moody's rating for the security.



Holdings Report Glossary (continued)

S&P - The Standard and Poor's rating for the security.

Term (yrs) - The time, in years, until maturity.

Duration - The weighted average time to maturity of a bond where the weights are the present values of future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates.

City of Moreno Valley
June 30, 2010

COMPLIANCE WITH INVESTMENT POLICY

Assets managed on by Chandler Asset Management are in full compliance with State law and with the City's investment policy.

Category	Standard	Comment
Local Agency Bonds	No Limitation	Complies
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Banker's Acceptances	40% maximum; <180 days maturity	Complies
Commercial Paper	25% maximum; <270 days maturity; A-1/P-1/F-1 minimum ratings	Complies
Negotiable Certificates of Deposit	30% maximum; 5 years maximum maturity	Complies
Repurchase Agreements	No limitation; 1-year maximum maturity	Complies
Reverse Repurchase Agreements	20% maximum; <92 days maturity	Complies
Medium Term Notes	30% maximum; 5 years maximum maturity; A-rated or better	Complies
Money Market Mutual Funds	20% maximum; AAAf/Aaaf, minimum rating	Complies
Collateralized Certificates of Deposits	5 years maximum maturity	Complies
Time Deposits	5 years maximum maturity	Complies
Mortgage Pass-throughs, CMOs and Asset Backed Securities	20% maximum; AA-rated issue; A-rated issuer	Complies
Local Agency Investment Fund - L.A.I.F.	Maximum program limitation	Complies
Prohibited Securities	Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities	Complies
Maximum maturity	5 years	Complies

BOND PROCEEDS WITH FISCAL AGENTS

Account Name	Account Number	Investment	Issuer	Purchase Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of Portfolio
Wells Fargo										
<u>Community Facilities District 87-1 (IA-1)</u>										
special tax funds	22631800	money market fund	WF Govt Fund	06/30/10	07/01/10	1,008,997	0.01%	0.01%	1.00000	4.148%
interest acct	22631801	money market fund	WF Govt Fund	06/30/10	07/01/10	0	0.01%	0.01%	1.00000	0.000%
reserve fund	22631804	money market fund	WF Govt Fund	06/30/10	07/01/10	1,028,785	0.01%	0.01%	1.00000	4.230%
admin exp acct	22631805	money market fund	WF Govt Fund	06/30/10	07/01/10	376	0.01%	0.01%	1.00000	0.002%
debt service acct	22631809	money market fund	WF Govt Fund	06/30/10	07/01/10	35,835	0.01%	0.01%	1.00000	0.147%
special tax funds	22631900	money market fund	WF Govt Fund	06/30/10	07/01/10	385,276	0.01%	0.01%	1.00000	1.584%
interest acct	22631901	money market fund	WF Govt Fund	06/30/10	07/01/10	0	0.01%	0.01%	1.00000	0.000%
reserve fund	22631904	money market fund	WF Govt Fund	06/30/10	07/01/10	366,275	0.01%	0.01%	1.00000	1.506%
admin exp acct	22631905	money market fund	WF Govt Fund	06/30/10	07/01/10	15,657	0.01%	0.01%	1.00000	0.064%
cost of issuance	22631906	money market fund	WF Govt Fund	06/30/10	07/01/10	1	0.01%	0.01%	1.00000	0.000%
						2,841,202				
Wells Fargo										
<u>CFD # 5</u>										
Series B Revenue	22333500	money mkt fund	WF Govt Fund	06/30/10	07/01/10	170,420	0.01%	0.01%	1.00000	0.701%
Series A Principal	22333501	money mkt fund	WF Govt Fund	06/30/10	07/01/10	300	0.01%	2.71%	1.00000	0.001%
Series B reserve	22333503	money mkt fund	WF Govt Fund	06/30/10	07/01/10	523,526	0.01%	0.01%	1.00000	2.148%
Series A interest	22333504	money mkt fund	WF Govt Fund	06/30/10	07/01/10	27,125	0.01%	0.01%	1.00000	0.112%
						720,371				
Wells Fargo										
<u>1997 Lease Revenue Bonds - Public Safety</u>										
expense fund	12526107	money mkt fund	WF Govt Fund	06/30/10	07/01/10	14,068	0.01%	0.01%	1.00000	0.058%
reserve account	12526103	money mkt fund	WF Govt Fund	06/30/10	07/01/10	407,451	0.01%	0.01%	1.00000	1.675%
lease revenue	12526100	money mkt fund	WF Govt Fund	06/30/10	07/01/10	0	0.01%	0.01%	1.00000	0.000%
rebate account	12526104	money mkt fund	WF Govt Fund	06/30/10	07/01/10	14,481	0.01%	0.01%	1.00000	0.060%
						436,000				
Wells Fargo										
<u>2007 Redevelopment Agency Tax Allocation Bonds Series A</u>										
debt service fund	22631700	money mkt fund	WF Govt Fund	06/30/10	07/01/10	1	0.01%	0.01%	1.00000	0.000%
						1				
Wells Fargo										
<u>2005 Lease Revenue Bond</u>										
bond fund	18042800	money mkt fund	WF Govt Fund	06/30/10	07/01/10	129	0.01%	0.01%	1.00000	0.001%
reserve fund	18042804	money mkt fund	WF Govt Fund	06/30/10	07/01/10	2,992,752	0.01%	0.01%	1.00000	12.304%
construction fund	18042806	money mkt fund	WF Govt Fund	06/30/10	07/01/10	7,671,733	0.01%	0.01%	1.00000	31.540%
						10,664,614				43.845%
Wells Fargo										
<u>2007 Taxable Lease Revenue Bonds - Electric Utility</u>										
bond fund	22277600	money mkt fund	WF Govt Fund	06/30/10	07/01/10	1	0.01%	0.01%	1.00000	0.000%
interest fund	22277601	money mkt fund	WF Govt Fund	06/30/10	07/01/10	0	0.01%	0.01%	1.00000	0.000%
construction fund	22277604	money mkt fund	WF Govt Fund	06/30/10	07/01/10	6,846,287	0.01%	0.01%	1.00000	28.147%
capital interest fund	22277605	money mkt fund	WF Govt Fund	06/30/10	07/01/10	0	0.01%	0.01%	1.00000	0.000%
cost of issuance	22277606	money mkt fund	WF Govt Fund	06/30/10	07/01/10	368,033	0.01%	0.01%	1.00000	1.513%
						7,214,321				
Wells Fargo										
<u>Automall Refinancing</u>										
revenue fund	20350300	revenue	WF Govt Fund	06/30/10	07/01/10	1,193,827	0.01%	0.01%	1.00000	4.908%
reserve fund	20350303	reserve	WF Govt Fund	06/30/10	07/01/10	1,178,244	0.01%	0.01%	1.00000	4.844%
admin expenses	20350304	admin expenses	WF Govt Fund	06/30/10	07/01/10	74,923	0.01%	0.01%	1.00000	0.308%
						2,446,994				10.060%
						24,323,503				100.000%

Totals

Type	Summary of Bond Proceeds with Fiscal Agents
1	Construction Funds
	14,518,020
2	Principal & Interest Accounts
	1,256,917
3	Debt Service Reserve Funds
	7,890,608
4	Custody Accounts
	0
5	Arbitrage Rebate Accounts
	14,481
6	Other Accounts
	643,477
	Total Fiscal Agent Funds
	24,323,503

City of Moreno Valley
Treasurer's Cash and Investments Report

DEFERRED COMPENSATION FUNDS

Nationwide

Fund	Market Value	Fund	Market Value
Liquid Savings	\$1,117,937	Drey SmCap I	5
Nationwide Fixed (Part Time Employee)	812,514	American Century Balanced	25
Liquid Savings (Part Time Employees)	128,711	Am Century Growth	44,573
Certificates of Deposit 3 years	15,413	Am Century Select	78,857
JP Morgan Mid Cap Value A	84,139	Am Century Ultra	0
Bond Fund Of America	67,275	Vanguard Index 500	65,279
Growth Fund of America	52,907	Vanguard Institutional Index	312,628
Investment Co. of America	10,732	Vanguard Wellington	13,990
Income Fund of America	110,204	Vanguard Windsor II	62,350
Brown Cap Mgmt Inc SM Co	62,451	Vanguard Total Bond Index	108,028
Fidelity Independence	20,461	Putnam Voyager	0
Fidelity Equity Income	19,513	Templeton Foreign I	0
Fidelity Magellan	303,795	EuroPacific Growth	226,967
Certificates of Deposit 5 years	29,246	Stable Fund C	1,686,963
Fidelity Puritan	109,520	PBHG Growth Fund	0
Fidelity Contrafund	232,459	DWS High Income Fund A	43,075
Janus Fund	59,176	DWS Strategic Value	35,410
Janus Advisor Forty	57,375	Oppenheimer Global Fund A	96,338

ICMA

Fund	Market Value	Fund	Market Value
Aggressive Oppor. International	\$142,895	VT Royce Preneur	1,569
All Equity Growth	142,050	VT Ranier Small/Mid Cap Eq	25,521
Growth and Income	75,840	VT Fidelity Contrafund	130,761
Broad Market	175,644	VT Fidelity Magellan	0
500 Stock Index	45,514	VT Fidelity Diversified International	51,911
Equity Income	58,767	VT Allianz NFJ Div Value	37,846
Asset Allocation	250,148	VT Legg Mason Value	1,711
Core Bond	103,430	VT Fidelity Puritan	3,653
Cash Management	15,270	VT Royce Value Plus Service	4,807
Plus Fund	31,665	VT TR Price Growth Stock Adv	13,865
Savings Oriented	1,384,358	VT First Amer. Real Estate Secs	4,244
Conservative Growth	5,583	VT TR Price Small Cap Value	102,249
Traditional Growth	75,740	VT Third Ave Value	7,135
Long-Term Growth	214,109	Inflation Protected Securities Growth Fund	48,469
Mid/Small Co Index	262,559	VT PIMCO Total Return	198,844
Milestone 2030	0	VT PIMCO High Yield	36,371
Milestone 2035	9,055	VT Eaton Vance Lage Cap Value	94,730
Overseas Equity Index fund	7,490	Total ICMA	4,364
Vantage Trust 1yr CD	52,527		
	0		\$3,820,694

Summary by Plan

Total Nationwide	Market Value	\$8,064,586
Total ICMA	Market Value	3,820,694
Total Deferred Compensation Plans	Market Value	\$11,885,280

Summary by Investment Type

Savings Deposits and CD's	Market Value	\$2,059,162
Mutual Funds	Market Value	9,826,118
Total Deferred Compensation Plans	Market Value	\$11,885,280

ORDINANCE NO. 813

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING PA06-0184 (ZONE CHANGE) TO CHANGE THE LAND USE DISTRICT FROM BUSINESS PARK TO RESIDENTIAL 5 (R5) FOR THE APPROXIMATELY 40 ACRES LOCATED WITHIN ASSESSOR'S PARCEL NUMBERS 485-230-025 AND 485-230-026, LOCATED AT THE SOUTHEAST CORNER OF HEACOCK STREET AND GENTIAN AVENUE

The City Council of the City of Moreno Valley does ordain as follows:

SECTION 1:

1.1 Pursuant to the provisions of law, public hearings were held before the City of Moreno Valley Planning Commission and the City Council.

1.2 The matter was fully discussed and the public and other agencies presented testimony and documentation.

1.3 Pages 126 and 140 of the City of Moreno Valley Official Zoning Atlas shall be modified to reflect the Zone Change (PA06-0184).

1.4. An Initial Study has been completed for PA06-0184 (Zone Change). Based upon the Initial Study, a determination has been made that, as designed and conditioned, this project will not result in the potential for significant impacts to the environment. Therefore, adoption of a Negative Declaration is appropriate.

SECTION 2: FINDINGS

2.1 With respect to the proposed change to pages 125 and 140 of the City of Moreno Valley Official Zoning Atlas, and based upon substantial evidence presented to the City Council during the public hearing on July 13, 2010, including written and oral staff reports, and the record from the public hearing, the City Council hereby specifically finds as follows:

1. Conformance with General Plan Policies – The proposed use is consistent with the General Plan, and its goals, objectives, policies and programs.

FACT: This project is comprised of four applications, a General Plan Amendment (PA06-0185), Change of Zone (PA06-0184), Tentative Tract Map (PA06-0183) and a Variance (P09-102), which are being processed concurrently. The site of the proposed project is located at the southeast corner of Heacock Street and Gentian Avenue (Assessor's Parcel Numbers 485-230-025 and 485-230-026). The project is located within an area that currently has the Business Park (BP) General Plan land use designation and zoning designation. With approval of the

General Plan Amendment and Change of Zone applications, the project will be consistent with the Residential 5 (R5) zoning designation. The Residential 5 (R5) zoning district allows up to 5 dwelling units per acre and the project's density is 3.4 (135 single-family lots on 40 acres).

The Transportation Engineering Division (TED) staff has reviewed and approved the revised traffic impact analysis dated September 26, 2007 for the proposed residential project. The traffic analysis notes that the Business Park (BP) land use/zoning district includes such uses as general light industrial, warehousing, and manufacturing, which would generate more trips than the proposed residential use. Therefore approving the General Plan Amendment and Change of Zone from Business Park (BP) to Residential 5 (R5) would reduce the number of trips.

Since the proposed General Plan Amendment is less intensive than the current General Plan, the project would not conflict with the goals, objectives, policies or programs of the General Plan.

2. Conformance with Specific Plan Policies – The proposed use is consistent with any applicable Specific Plan.

FACT: The project site is not within a specific plan area.

3. Health, Safety and Welfare – The proposed use will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity.

FACT: The proposed General Plan Amendment will not adversely affect the public health, safety or general welfare. An initial study of the potential environmental impacts of the amendment has been conducted in accordance with the provisions of the California Environmental Quality Act (CEQA). A Negative Declaration has been considered and prepared, as there is no evidence that the proposed land use change will have a significant effect on public health or be materially injurious to surrounding properties or the environment as a whole.

4. Conformance with Title 9 – The proposed amendment to change the zoning atlas is consistent with the purposes and intent of Title 9.

FACT: The applicant has met the City's Municipal Code and other regulations to change the zone. As proposed, the zone change from Business Park (BP) to Residential 5 (R5) is consistent with the purposes and intent of Title 9.

SECTION 3: ZONE CHANGE

3.1 Based on the findings contained in Section 2 of this Ordinance, the City Council hereby adopts a Zone Change to change to the zoning districts from Business Park (BP) to Residential 5 (R5) for the approximately 40 acres located at the southeast corner of Heacock Street and Gentian Avenue, subject to the revised zoning designations depicted in the attached Exhibit A.

SECTION 4: EFFECT OF ENACTMENT

4.1 Except as specifically provided herein, nothing contained in this ordinance shall be deemed to modify or supersede any prior enactment of the City Council which addresses the same subject addressed herein.

SECTION 5: NOTICE OF ADOPTION

5.1 Within fifteen days after the date of adoption hereof, the City Clerk shall certify to the adoption of this ordinance and cause it to be posted in three public places within the city.

SECTION 6: EFFECTIVE DATE

6.1 This ordinance shall take effect thirty days after the date of its adoption.

APPROVED AND ADOPTED this 13th day of July 2010.

Bonnie Flickinger, Mayor

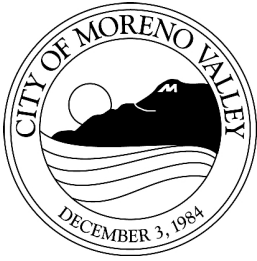
ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

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CHANGE OF ZONE
Application No. PA06-0184
ADOPTED BY ORDINANCE NO. 813



ADOPTED

EFFECTIVE _____



N

LEGEND

R5



EXHIBIT A

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>WAS</i>

Report to City Council

TO: Mayor and City Council

FROM: Kyle Kollar, Interim Community Development Director

AGENDA DATE: August 24, 2010

TITLE: Aquabella Development Agreement - Annual Review (P10-044)

RECOMMENDED ACTION

Staff recommends that the City Council accept the Annual Report and determine that the property owner has complied in good faith with the terms, obligations and conditions of the Aquabella Development Agreement.

ADVISORY BOARD/COMMISSION RECOMMENDATION

This review does not require an advisory committee recommendation.

BACKGROUND

A Development Agreement is a negotiated instrument that allows a developer or property owner to protect project approvals for a fixed period of years. In exchange for long term vested rights, the City can require certain negotiated exactions.

On December 13, 2005, the City Council approved an amendment to Specific Plan No. 218 (formerly known as the Moreno Valley Field Station Specific Plan), creating the Aquabella Specific Plan, and approving the Aquabella Development Agreement (an Agreement by and between the City of Moreno Valley and Moreno Valley Properties, LP). The Agreement was subsequently recorded on February 16, 2006.

The term of the agreement began on the effective date of adoption of Ordinance 704, which was on December 13, 2005. The initial agreement was approved for ten years with the provision for three extensions of time, with each extension of time not to exceed a maximum of five years.

The Agreement addresses 685 acres of the 760-acre Aquabella Specific Plan. The 685 acres provides for a gated active-adult community of 2,702 dwelling units and 220 units outside of the gated community that are un-restricted multi-family units, for a total of 2,922 dwelling units.

DISCUSSION

The Agreement provides that the developer shall submit to the City written documentation demonstrating good-faith compliance with the terms of the Agreement. City staff shall review the developer's written documentation and any other applicable evidence and make a recommendation to the City Council as to whether the developer is in compliance with the obligations of the Agreement.

Highland Fairview Properties (the entity developing property owned by Moreno Valley Properties, LP) submitted a letter to the City (Exhibit 1) dated April 5, 2010, which identifies the obligations of the Agreement, the general status of the project and the developer's statements of good-faith compliance. The letter is not all inclusive, and the attached Agreement (Exhibit 2) should be referenced for the full list of obligations. This is the fourth annual review of the Agreement.

This Agreement is performance based; as certain triggers or levels of development activity are reached, certain improvements or provisions are required. For example, prior to construction of the 585th dwelling unit, the Agreement provides for the completion of the entry statement, clubhouse facility and certain street and intersection improvements. At this time, the project development activity has not reached the criteria necessary to require the Developer to perform any of the obligations of the Agreement.

Tentative Tract Map No. 34950, a finance map for the AquaBella Specific Plan, was approved by the Planning Commission on August 23, 2007.

At present, approximately one half of the project site has been mass graded, and the erosion control and site stabilization features are in place. The grading operation has ceased as of December, 2007 and the developer has surrendered the mass grading permit. Staff has returned the grading and erosion control security to the developer with the understanding that when the grading operations continue sometime in the future, the developer will provide a new security for grading and erosion control prior to commencement of work.

Various infrastructure improvement plans are in the plan check process, inclusive of water and sewer, drainage, and street and traffic signal improvements, though no plans have been received since around October 2008. The Line "F" channel storm drain improvement plans were approved by both the City of Moreno Valley and Riverside Flood Control and Water Conservation District on November 9, 2007. Several easement documents for the channel have been processed for Line "F", but no work has started on the drainage infrastructure to date.

A Cooperative (Tri-Party) Agreement had been processed and approved by the Flood Control District and the City of Moreno Valley for Line "F", but on October 27, 2009 the City Council rescinded the Cooperative Agreement at the developer's request. Furthermore, on April 13, 2010, the City Council executed a Termination Agreement which formally nullified the Cooperative Agreement for Line "F", Stage 2 recorded June 30, 2008 as Document No. 2008-0355993. The District was also in agreement to formally terminate the Cooperative Agreement.

Section 5.2 of the Agreement references potential public financing in the form of a Community Facilities District (CFD) which would be repaid by future property owners. In a January 14, 2010 letter, Highland Fairview requested the City abandon CFD formation proceedings and rescind the application to form CFD #6. A new application will be necessary in order to reinstate the CFD formation process.

Section 6.3 of the Agreement requires that the developer provide two million dollars to the City of Moreno Valley. The first one million dollars (\$1,000,000) is to be used for the benefit of the Moreno Valley Electric Utility. In accordance with the Agreement, the funds were to be placed in an interest bearing escrow account within thirty (30) days of the effective date of the Agreement, and the City was not to withdraw the funds until one-hundred twenty (120) days after the effective date of the Agreement, or until the conclusion of any legal proceedings. The monies were placed in escrow and there were no legal proceedings initiated. Consequently, the funds were withdrawn from escrow and placed in a Moreno Valley Electric Utility revenue account in October 2006.

A second one million dollar (\$1,000,000) payment for a Moreno Valley Electric Utility and/or other eligible City Capital Project is required at the time of recordation of the first residential subdivision map. A residential subdivision map has not been recorded yet.

Section 6.7 of the Agreement, provides that a main clubhouse of at least thirty-five thousand (35,000) square feet shall be provided with a construction cost of at least twenty million dollars (\$20,000,000). On July 27, 2006, the Planning Commission approved a Conditional Use Permit for a clubhouse facility within Planning Area #5, which exceeded the criteria of the Agreement. Building plans for the clubhouse were submitted to the City for plan check in June 2006. The building permit for this plan check was voided in July 2009 at the request of the applicant following receipt of a written request to withdraw the building plans.

An application to amend the Conditional Use Permit for the clubhouse was submitted in 2007 in order to make minor changes to the clubhouse site plan. This application was subsequently withdrawn by the applicant.

Section 6.8 - State Route 60/Nason Street Interchange. An application will be necessary to initiate formation of CFD #8 for the Nason Street interchange improvements. No application or correspondence has been received at this time.

No residential units have been constructed at this time. The development is no longer on the original schedule as noted in Exhibit "B" of the Development Agreement (Phase 1 was to be completed sometime in February 2008). The schedule identifies the intent of Highland Fairview at the time of the adoption of the Agreement and is not binding.

There are no outstanding obligations of the Agreement. Therefore, staff has determined that the property owner has complied in good faith with the terms, obligations and conditions of the Agreement.

ALTERNATIVES

1. Accept the Annual Report and determine that the property owner has complied in good faith with the terms, obligations and conditions of the Aquabella Development Agreement. (Staff's recommendation.)
2. Reject the Annual Report based on evidence that the developer is in default. If the City Council elects to reject the Annual Report due to a default, written notice of the proposed termination or modification of the Development Agreement must be given describing the alleged nature of the default and suggested or potential actions and timing to cure the default, where applicable.

FISCAL IMPACT

Not applicable.

CITY COUNCIL GOALS

Not applicable.

NOTIFICATION

Posting of the Agenda.

ATTACHMENTS/EXHIBITS

Exhibit 1 – Letter/Annual Report from Highland Fairview Properties, dated April 5, 2010

Exhibit 2 – Aquabella Development Agreement

Prepared By:
 Jeff Bradshaw
 Associate Planner

Department Head Approval:
 Kyle Kollar
 Interim Community Development Director

Concurred By:
 John C. Terell
 Planning Official

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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HIGHLAND FAIRVIEW

14225 Corporate Way
Moreno Valley, CA 92553
Tel: 951.242.9180 Fax: 951.867.9165

April 5, 2010

Mr. John Terell, Planning Official
City of Moreno Valley
14177 Frederick Street
Moreno Valley, California 92552

RECEIVED
MAY 25 2010
CITY OF MORENO VALLEY

SUBJECT: Aquabella Development Agreement – 2010 Annual Report

Dear Mr. Terell,

On December 13, 2005, the Aquabella Development Agreement was approved by the City of Moreno Valley (Ordinance #704). The Agreement was subsequently signed by the parties and recorded on February 16, 2006. Pursuant to Section 15 of the Agreement, an Annual Report is required to be prepared and submitted to the City demonstrating Highland Fairview's good-faith compliance with the terms of the Agreement. Section 15.2 of the Agreement requires that this Annual Report "describe (i) any permits or other Project Approvals which have been issued or for which application has been made and (ii) any development or construction activity which has commenced or has been completed since the Effective Date hereof or since the preceding annual review." This report provides the required information.

The continuing economic downturn and its direct impact on international, national and local financial markets continued to have a dramatic negative effect on the southern California residential market. Moreno Valley has been particularly hit hard with thousands of bank foreclosures plaguing the residential market. Unemployment in our area still hovers at over 15% having a tremendous negative impact on residential values, which are still below replacement cost. As a result, new residential development is not practical or viable in today's environment. Aquabella has not been immune to these market conditions. Grading operations at Aquabella were suspended in February 2008 and work on infrastructure design, permitting and construction was suspended in 2008-2009. The Aquabella project has moved into a maintenance mode for the property and the project entitlements.

GENERAL PROJECT STATUS

Pursuant to Section 2.1 of the Development Agreement, all project approvals for Aquabella remain in full force and effect throughout the duration of the Agreement. No project-specific actions are required on the part of the Developer or the City for this extended period of validity to apply to all project approvals.

A permit for the mass grading of the Aquabella site was issued by the City (Permit # MV-0826). To date, approximately 5,700,000 cubic yards of grading has been completed, representing approximately 56% of the permitted earthwork volume. Grading operations

EXHIBIT 1

were suspended in 2008. Since that time, Highland Fairview has undertaken a comprehensive program of property maintenance including full property fencing and signage, extensive erosion control, weed abatement in compliance with all applicable City regulations, and immediate refuse removal and site security. Highland Fairview has relinquished the above-referenced grading permit and the erosion control bond for the project site is scheduled to be exonerated by the City Council at its meeting on April 13, 2010. Highland Fairview also relinquished the Cooperative Agreement for Line F improvements.

A proposal to amend the Aquabella Specific Plan and the Development Agreement is underway in cooperation with the Riverside County Regional Medical Center located immediately north of Aquabella. The proposal would remove Planning Areas 1 and 2 (± 72.6 acres north of Cactus Avenue) from the Specific Plan in order to facilitate development of a potential mixed-use project which would reinforce the County's long-range plan to create a major campus environment centered on the Regional Medical Center. The residential units in Planning Areas 1 and 2 will be re-allocated within Aquabella.

OBLIGATIONS OF MASTER DEVELOPER

The Agreement identifies specific actions required to be accomplished by the Master Developer. Following is a brief status update on each of these required actions:

Section 6.2 – Construction of Public Street and Traffic Signal Improvements – Circulation Phasing Improvement Plan

The status of each of the improvements listed in Exhibit “B” is provided in the following chart which utilizes the format of Exhibit “B” as it appeared in the Development Agreement for clarity and convenience.

Phasing Improvement Details

Location	Direction	Improvement	Status
Nason St. from Iris to Delphinium	NB / SB	Widen to half-width (one lane per direction)	Plans on hold
Nason Street at Iris Avenue	I	Install traffic signal	Plans approved
Nason Street at Iris Avenue	SB	Construct dual right-turn lane	Plans on hold
Nason Street at Iris Avenue	EB	Construct one additional left turn lane	Plans approved
Nason Street at Iris Avenue	WB	Construct one left turn lane	Plans approved

Nason Avenue at Iris Avenue	WB	Construct one right turn lane	Plans approved
Nason Avenue at Dracaea Avenue	I	Install traffic signal	Complete
Location	Direction	Improvement	Status
Lasselle Street at Margaret Avenue	I	Install traffic signal	Not started
Nason Street at Fir Avenue	I	Install traffic signal	Complete
Nason Street at Fir Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Complete
Nason Street at Fir Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW) including dual left turn lane	Complete
Nason Street at Fir Avenue	EB	Construct one left turn lane	Completed
Nason Street at Fir Avenue	WB	Construct one left turn lane	Completed
Lasselle Street at Delphinium Avenue	I	Install traffic signal	Not started
Nason Street at Eucalyptus Avenue	I	Modify traffic signal	Completed
Nason Street at Eucalyptus Avenue	NB	Widen Nason to ultimate width (ROW)	Completed
Nason Street at Eucalyptus Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Completed
Nason Street at Eucalyptus Avenue	EB	Re-stripe lane configuration	Completed
Nason Street at Eucalyptus Avenue	EB	Construct one through lane	Completed
Nason Street at Eucalyptus Avenue	WB	Construct one left turn lane	Completed
Delphinium Avenue		Traffic calming on Delphinium	Not started
Lasselle Street at John F Kennedy Drive	EB	Construct one additional left turn lane (Including traffic signal modification to implement phase signal timing)	Concept Report completed
Lasselle Street at John F Kennedy Drive	EB	Re-stripe lane configuration	Concept Report completed
Lasselle Street at Gentian Avenue		Re-striping lane configuration/signal modification	Not started

Clubhouse Drive at Cactus Avenue	I	Install traffic signal	Not started
Clubhouse Drive at Cactus Avenue	NB	Construct one left turn lane	On hold
Location	Direction	Improvement	Status
Clubhouse Drive at Cactus Avenue	NB	Construct one shared right turn lane	On hold
Clubhouse Drive at Cactus Avenue	SB	Construct one left turn lane	On hold
Clubhouse Drive at Cactus Avenue	SB	Construct one shared through-right turn lane	On hold
Clubhouse Drive at Cactus Avenue	EB	Construct one left turn lane	On hold
Clubhouse Drive at Cactus Avenue	WB	Construct one left turn lane	On hold
Cactus Ave from Lasselle to Nason	EB, WB	Widen to half-width (one lane per direction)	On hold
Nason Street from Cottonwood to Dracaea	NB	Construct one NB lane	Not started
Nason Street at Cottonwood Avenue	I	Modify traffic signal	Not started
Nason Street at Delphinium Avenue	I	Modify traffic signal	Not started
Nason Street at Cactus Avenue	I	Modify traffic signal	Approved plan by others
Nason Street from Delphinium to Cactus	SB	Construct one SB lane	On hold
Nason Street from Brodiaea to Alessandro	SB	Construct one SB lane	Not started
Nason Street from Alessandro to Cottonwood	NB / SB	Construct one lane per direction	Not started
Cactus Avenue from Nason to Oliver	WB	Construct one WB lane	Not started
Morrison St from Brodiaea to Cactus	NB / SB	Construct half-ultimate plus 12 feet	Not started
Morrison Street at Brodiaea Avenue	I	Install traffic signal	Not started
Morrison Street at Cactus Avenue	I	Install traffic signal	Not started
Oliver Street at Cactus Avenue	I	Modify traffic signal	Not started
Oliver Street at Cactus Avenue	SB	Widen Oliver to ultimate width (ROW) signing striping	Not started
Oliver Street at Iris Avenue	I	Modify traffic signal	Not started

Oliver Street at Iris Avenue	SB	Construct one right turn lane	Not started
Iris Ave from Lasselle to Camino Flores		Modification of Median (\$70 per LF)	Not started
Location	Direction	Improvement	Status
Iris Avenue		Coordination of traffic signals (\$3500 per intersection)	Not started
Lasselle Street		Coordination of traffic signals (\$3,500 per intersection)	Not started
Lasselle Street at Cactus Avenue	I	Modify traffic signal	Complete
Lasselle Street at Cactus Avenue	NB	Construct one free left turn lane	Complete
Lasselle Street at Cactus Avenue	EB	Re-stripe lane configuration	Complete
Lasselle Street at Cactus Avenue	WB	Construct one additional left turn lane	Not started
Lasselle Street at Brodiaea Avenue	I	Install traffic signal	Not started
Brodiaea Avenue from Lasselle to Morrison	EB / WB	Construct half ultimate plus 12 feet (include power poles)	Not started
Cactus Avenue at Apartment Access	I	Construct raised median to restrict left turn in/out movements from apartment access	Not started
Lasselle Street at Apartment Access	I	Construct raised median to restrict left turn out movement from apartment access	Not started
Nason Street at Bay Avenue	I	Install traffic signal	Not started
Nason Street at Bay Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Not started
Nason Street at Bay Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Not started
Nason Street at Brodiaea Avenue	I	Install traffic signal	Not started
Moreno Beach Drive at Cactus Avenue	I	Modify traffic signal	Not started
Moreno Beach Drive at Cactus Avenue	NB	Construct one shared through-right turn lane	Not started
Moreno Beach Drive at Cactus Avenue	SB	Construct one shared through-right turn lane	Not started
Moreno Beach Drive at Cactus Avenue	EB	Construct one shared through-right turn lane	Not started

Moreno Beach Drive at Cactus Avenue	WB	Construct one shared through-right turn lane	Not started
Moreno Beach Drive at Cactus Avenue	WB	Construct one through lane	Not started
Location	Direction	Improvement	Status
Moreno Beach Drive at John F. Kennedy Drive	I	Modify traffic signal	Not started
Moreno Beach Drive at John F. Kennedy Drive	WB	Widening and re-striping and signing for additional left turn lane	Not started
Cactus Avenue		Coordination of traffic signals on Cactus (\$3,500 per intersections)	Not started
Nason Street at SR-60 WB ramps / Elder Avenue	I	Participate in interchange improvements through payment of TUMF program fees	Not started
Nason Street at SR-60 EB ramps	I	Participate in interchange improvements through payment of TUMF program fees	Not started

Section 6.3 – Moreno Valley Electric Utility and/or City Capital Project

A deposit in the amount of \$1,000,000 was placed in escrow with the City of Moreno Valley in February 2006 and was released to the City in October 2006. No further activity is required on this item until a final tract map is recorded.

Section 6.4 – Covenants, Conditions and Restrictions (CC&Rs)

Drafts of a CC&R document for the Aquabella project have been through multiple reviews by the City. Prior to recordation of a development map, a final review by the City will occur and the CC&Rs will be recorded.

Section 6.5 – Operation and Maintenance of Common Areas by Master Developer

The entirety of the Aquabella property is currently being maintained by Highland Fairview. No “common area” exists within Aquabella as no property has been transferred to a homeowners’ association. There has been no recent activity on this item.

Section 6.6 – Master Homeowners’ Association (Master HOA)

Draft CC&R documents, including provisions for a Master Homeowners’ Association, are addressed in Section 6.4 above.

Section 6.7 - Main Clubhouse, Recreational Facilities, Recreational Programs, Private Parks, and Trail Systems

Plans for these facilities and programs are on hold. A Conditional Use Permit (CUP) for the Aquabella Clubhouse (City file # PA05-0188) was approved by the City on July 27, 2006. These plans were found to be consistent with the requirements of the Specific Plan and the Development Agreement. Per Section

2.1 of the Development Agreement these project approvals are valid for the duration of the Agreement.

Section 6.8 – State Route 60/Nason Street Interchange

Highland Fairview has discussed with the City the need for an SR60 corridor-wide implementation program for all remaining SR60 interchanges located in the City. These discussions are on-going.

Section 6.9 – Entry Statement

The concept for the Entry Statement was incorporated into the plans for the Aquabella Clubhouse, approved by the City on July 27, 2006 (CUP # 05-0188). See Section 6.7 above.

Section 6.10 – Perimeter Walls and Landscaping

A variety of project details, including walls and landscaping, are the subject of on-going discussions with City staff. These discussions have been on hold.

Section 6.11 – Age Restricted Project

Draft CC&R documents establishing the age-restricted nature of the Aquabella project were submitted to the City in October 2005. Discussions regarding this issue are on hold.

Section 6.12 – Master Design Guidelines

Master Design Guidelines for the Aquabella project are included in the Aquabella Specific Plan which was approved by the City of Moreno Valley on November 22, 2005 (Ord. 703).

Highland Fairview continues to closely monitor the status of the local housing market and future actions will be predicated on responding to opportunities to capture market advantages as they arise.

Please review this Annual Report at your convenience and contact me if you have any questions or need any additional information.

Sincerely,



Iddo Benzeevi
President

cc: City Council
Planning Commission
City Manager

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ORDINANCE NO. 704

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE AQUABELLA DEVELOPMENT AGREEMENT (PA04-0005) FOR 685 ACRES OF LAND WITHIN THE AQUABELLA SPECIFIC PLAN, GENERALLY LOCATED BETWEEN BRODIAEA AND IRIS AVENUES, AND BETWEEN LASSELLE AND OLIVER STREETS

The City Council of the City of Moreno Valley, California, does ordain as follows:

SECTION 1 GENERAL:

1.1 Highland Fairview Properties filed Application PA04-0005, a development agreement for 685 acres of the AquaBella Specific Plan (Specific Plan No. 218, as amended) as described in the title of this ordinance.

1.2 Pursuant to the provisions of law, public hearings were held before the City of Moreno Valley Planning Commission and the City Council.

1.3 The matter was fully discussed and the public and other agencies presented testimony and documentation.

1.4 Pursuant to the California Environmental Quality Act (CEQA) guidelines, an environmental initial study completed for the proposed project concluded that the proposed uses would have no new significant environmental effects or substantial increase in the severity of previously identified significant effects were determined from the impacts evaluated with the previously certified Environmental Impact Report and Supplemental Environmental Impact Report, and approval of an Addendum Environmental Impact Report was recommended.

SECTION 2 FINDINGS:

2.1 Based upon substantial evidence presented to this City Council during the meeting on November 22, 2005 including written and oral staff reports and the record from the public hearing, this City Council hereby specifically finds as follows:

1. **Conformance with General Plan Policies** – The proposed use is consistent with the General Plan, and its goals, objectives, policies and programs.

FACT: The proposal to protect the provisions of the AquaBella Specific Plan and its subsequent entitlements, and providing additional provisions for implementation of the entitlements will further support the project's

EXHIBIT 2

implementation which is compatible with the goals, objectives, policies, and programs of the General Plan.

3. **Conformance with Zoning Regulations** – The proposed use complies with all applicable zoning and other regulations.

FACT: The proposal to protect the provisions of the AquaBella Specific Plan and its subsequent entitlements, and provide provisions for implementation of the entitlements will further support the project's implementation which is compatible with the land uses in the general vicinity.

4. **Health, Safety and Welfare** – The proposed use will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity.

FACT: The proposed project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the surrounding area. Pursuant to the California Environmental Quality Act (CEQA) guidelines, an environmental initial study completed for the proposed project concluded that the proposed uses would have no new significant environmental effects or substantial increase in the severity of previously identified significant effects were determined from the impacts evaluated with the previously certified Environmental Impact Report and Supplemental Environmental Impact Report, and approval of an Addendum Environmental Impact Report was recommended.

SECTION 3.

4.1 Based on the Findings contained in Section 2 of this ordinance, the development agreement entitled "AquaBella Development Agreement" is hereby approved between the City of Moreno Valley and Moreno Valley Properties, LLC. A copy of said Development Agreement, Exhibit A, is attached hereto and incorporated herein by this reference.

SECTION 4.

2.1 Provided all other conditions precedent to the execution thereof have been satisfied, the agreement may be executed on behalf of the City at any time after this Ordinance becomes effective.

SECTION 5.

1.1 Within ten (10) days after the City enters into the agreement, the City Clerk of the City of Moreno Valley shall have a copy of the agreement recorded in the office of the County Recorder for the County of Riverside, which shall describe the land subject

thereto.

SECTION 6 EFFECT OF ENACTMENT:

6.1 Except as specifically provided herein, nothing contained in this ordinance shall be deemed to modify or supersede any prior enactment of the City Council which addresses the same subject addressed herein.

SECTION 7 NOTICE OF ADOPTION:

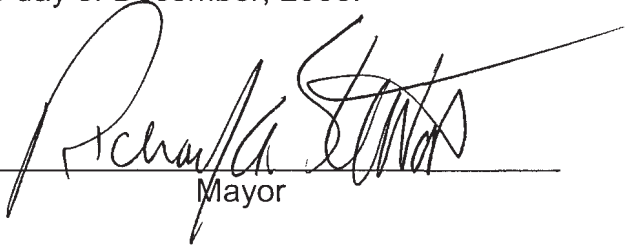
7.1 Within fifteen days after the date of adoption hereof, the City Clerk shall certify to the adoption of this ordinance and cause it to be posted in three public places within the city.

SECTION 8 EFFECTIVE DATE:

8.1 This ordinance shall take effect thirty days after the date of its adoption.


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APPROVED AND ADOPTED this 13 day of December, 2005.



Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

ORDINANCE JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, ALICE REED, City Clerk of the City of Moreno Valley, California, do hereby certify that Ordinance No. 704 had its first reading on November 22, 2005 and had its second reading on December 13, 2005, and was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 13th day of December, 2005 by the following vote:

- AYES: Council Members Batey, West, White, Mayor Pro Tem Flickinger and Mayor Stewart

- NOES: None

- ABSENT: None

- ABSTAIN: None



CITY CLERK

(SEAL)

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Moreno Valley
Attn: City Manager
P.O. Box 88005
Moreno Valley, California 92552-0805

(SPACE ABOVE FOR RECORDER'S USE ONLY)

AQUABELLA DEVELOPMENT AGREEMENT
DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF MORENO VALLEY
AND
MORENO VALLEY PROPERTIES, LP,
RELATIVE TO THE DEVELOPMENT KNOWN AS
SPECIFIC PLAN NUMBER 218 AND AMENDMENTS THERETO

January 12, 2006

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into this 12th day of January, 2006 (the "Effective Date"), by and between (i) the CITY OF MORENO VALLEY, a municipal corporation organized and existing under the laws of the State of California (the "City"), and (ii) MORENO VALLEY PROPERTIES, LP, a Delaware limited partnership (the "Master Developer"), pursuant to the authority of Sections 65864 through 65869.5 of the California Government Code. City and Master Developer may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864 et seq. of the California Government Code, which authorizes the City to enter into a development agreement with any person or entity having a legal or equitable interest in real property, providing for the development of such property and establishing certain reciprocal rights and obligations related to such development.

B. To implement the above-described state laws, the City adopted Section 9.02.110 of the Moreno Valley Municipal Code, establishing procedures and requirements for considering and approving development agreements.

C. The Master Developer has a legal and equitable interest in certain real property situated in the City, and therefore satisfies the statutory requirements to enter into this Agreement. This real property comprises approximately six hundred eighty-five (685) acres (the "Property"), more particularly described in Exhibit "A" attached hereto.

D. The Master Developer includes certain key Principals and personnel who are sophisticated and experienced real estate developers with substantial experience in the development and management of high quality residential neighborhoods.

E. The City, on September 20, 1988, adopted Resolution No. 88-75 approving the Moreno Valley General Plan (the "General Plan").

F. The City, on February 23, 1999, introduced Ordinance No. 548 approving Specific Plan 218, and adopted Resolution No. 99-13, approving a General Plan Amendment (GPA 1) and certifying the Final Environmental Impact Report, including findings and a statement of overriding considerations relating to the Specific Plan and findings of consistency with the General Plan, and approved mitigation measures for the Specific Plan (together, the "EIR"). On March 9, 1999, the City adopted Ordinance No. 548, approving Specific Plan 218 and related conditions of approval (the "Specific Plan").

G. The City, on May 27, 2003, approved the Supplemental EIR adopted by Resolution No. 2003-38 supporting the aforementioned entitlements for the Property.

H. The City, on November 22, 2005, adopted Ordinance No. 703, amending Specific Plan 218 and related conditions of approval ("SPA"); Resolution No. 2004-11, approving General Plan Amendment No. PA04-0070 (the "GPA 2"); and Resolutions No. 2004-11 and 2004-12, and Ordinance No. 703 approving an addendum to the certified EIR and Supplemental EIR (the "Addendum").

I. The Master Developer intends to make application to the City for one or more subdivision maps (the "Map" or the "Maps").

J. The Specific Plan, the SPA, the GPA 1, the GPA 2, the EIR, the Supplemental EIR, and the Addendum to the EIR as heretofore approved, and the Maps which collectively comprise the "Project Approvals," are incorporated herein by this reference. The Master Developer desires to develop the Property in accordance with the Project Approvals and this Agreement. Such development of the Property, as contemplated by the Project Approvals and subject to any refinements agreed upon by the Parties, is referred to herein as the "Project."

K. The implementation of this Agreement will provide the City with significant public benefits in the form of facilities, programs and revenues as set forth in Section 6 of this Agreement. Consequently, entering into this Agreement is acknowledged to be to the mutual benefit of the Parties.

L. The City Council, on November 22, 2005, made all findings and determinations relating to this Agreement which are required by Municipal Code Section 9.02.110, and by its introduction of Ordinance No. 704, and approved this Agreement by its adoption Of Ordinance No. 704 on December 13, 2005. In doing so, the City Council determined that this Agreement is consistent with the General Plan.

M. The City Council finds that execution of this Agreement and the performance of and compliance with the terms and conditions set forth herein by the Parties: (i) is in the best interests of the City; (ii) will promote the public convenience, general welfare and good land use practices in the City; (iii) will provide benefits to the City; (iv) will provide an upscale, high-quality active adult community; (v) will encourage the development of the Project by providing a reasonable level of certainty to the Master Developer; and (vi) will provide for orderly growth and development in a manner consistent with the General Plan and other plans and regulations of the City.

NOW, THEREFORE, in consideration of the above Recitals, all of which are expressly incorporated into this Agreement, and the mutual promises and obligations of the Parties set forth herein, the Parties agree as follows:

AGREEMENT

SECTION 1. DEFINITIONS

The following terms when used in this Agreement shall be defined as follows:

1.1 "Agreement" means this Development Agreement.

1.2 "Amended Specific Plan" means Specific Plan 218 as amended by the Specific Plan Amendment (SPA).

1.3 "Assignee Developer" means a developer to whom any of the rights, duties or obligations of this Agreement have been assigned in conformity with all assignment provisions contained herein.

1.4 "Builder" means a merchant homebuilder who has or may acquire portions of the Property consistent with this Agreement for purposes of constructing residential housing units, but to whom no direct Assignment, in whole or in part, of this Agreement has been made.

1.5 "Circulation Phasing Improvement Program" means the City approved plan for the phasing of public traffic circulation improvements for the Project addressed in Section 6.2, below and attached hereto and incorporated herein as Exhibit "B".

1.6 "City" means the City of Moreno Valley, a municipal corporation organized and existing pursuant to the laws of the State of California.

1.7 "City Council" means the City Council of the City of Moreno Valley.

1.8 "Covenants, Conditions and Restrictions" or "CC&Rs" shall mean the restrictions governing the use of real property. CC&Rs include, but are not limited to written rules, limitations and restrictions on use of real property mutually agreed to by all owners of real property in a common interest development as provided for in California Civil Code Section 1351 *et seq.* CC&Rs are enforceable by the homeowners association or by individual owners who can bring lawsuits against violators and are recorded, permanent and "run with the land" so future owners are bound to the same rules. A copy of the CC&Rs shall be recorded with the Riverside County Recorder and be provided to any prospective purchaser.

1.9 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the

Property; the construction of residential dwelling units, buildings and structures; and the installation of landscaping. "Development" does not include the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.10 "Development Approvals" means all permits and other entitlements for use subject to approval or issuance by City in connection with development of the Property including, but not limited to:

- 1.10.1.1 The City's General Plan and amendments thereto;
- 1.10.1.2 Specific Plans and Amendments;
- 1.10.1.3 Planning Area Development Implementation Plans;
- 1.10.1.4 Tentative and final subdivision and parcel maps;
- 1.10.1.5 Conditional use permits, variances, site plot plans;
- 1.10.1.6 Zoning amendments;

1.11 "Development Impact Fees" or "DIF" means all City adopted fees and monetary Exactions that are designed to pay for new or expanded public facilities needed to serve, or to mitigate the adverse effects of, a given development project and that are imposed by the City by ordinance or resolution of general application or as a condition of approval of discretionary or ministerial permits for, or in connection with, the implementation of that development project. The term "Development Impact Fees" (the "DIF") does not include processing fees and charges as described in this Agreement.

1.12 "Effective Date" means the effective date of the ordinance approving this Agreement.

1.13 "Exaction" means any requirement of City in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of money in order to provide public benefit or lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests. The term "Exaction" shall not include City administrative, permit processing or other City-wide imposed fees to cover the estimated or actual costs to City of processing applications for Development Approvals, Subsequent Development Approvals, or costs associated with preparation or implementation of this Development Agreement or for monitoring compliance with any Development Approvals which may be granted or issued pursuant to this Agreement.

1.14 "Existing Project Approvals" means all Project Approvals approved or issued prior to the Effective Date and all other Approvals which are a matter of public record on the Effective Date.

1.15 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date and all other Development Regulations which are a matter of public record on the Effective Date.

1.16 "Homeowners' Association" (HOA) shall mean a master association of homeowners, and any associations of homeowners subsidiary to the master association, in the Project area organized and existing pursuant to the laws of the State of California for the purposes stated in the association's articles of incorporation and/or bylaws to provide, operate and maintain common or community facilities for the enjoyment of the Project's residents to include at a minimum streets, curbs, gutters, sidewalks, street lighting, signage, drainage and flood control facilities, any other private supporting infrastructure, landscaping, walls, lakes, the Main Clubhouse and its amenities, and other recreational facilities throughout the Project, including, but not limited to, community buildings and amenities, private parks, trails, and greenbelts.

1.17 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of City governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the Property. By way of example and not limitation, "Land Use Regulations" does not include any City ordinance, resolution, code, rule, regulation or official policy, governing:

1.17.1 The conduct of businesses, professions, and occupations;

1.17.2 Taxes, fees (including, without limitation, Processing Fees and Development Impact Fees) and assessments;

1.17.3 The control and abatement of nuisances;

1.17.4 The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property;

1.17.5 The exercise of the power of eminent domain.

1.18 "Master Design Guidelines" means the overall vision of the thematic and qualitative characteristics for the Project, as mutually agreed upon by the Master Developer and City and memorialized in the SPA and elsewhere in the Project Approvals. Subsequent Development Approvals shall be consistent with the Master Design Guidelines.

1.19 "Master Developer" means MORENO VALLEY PROPERTIES, LP, any City approved Assignee or successor in interest to MORENO VALLEY PROPERTIES, LP, and/or any City approved Assignee or successor in interest to the obligations of the Master Developer set forth in Section 6 of this Agreement.

1.20 "Mortgagee" means a beneficiary or any other security-device lender under a mortgage, deed of trust, sale-and-lease-back, pledges of ownership interests in Master Developer, collateral assignments, or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the Property, Master Developer, or both, and as well as such entities' successors and assigns.

1.21 "Planning Area Development Implementation Plan" ("PADIP") means a development plan for the implementation of defined areas within the SPA. The PADIP will include: a detailed architectural and landscaping theme consistent with the Master Design Guidelines; infrastructure and common area improvements to support a self-sustaining development; and the requirements established through the Project Approvals and Development Approvals.

1.22 "Processing Fees" means City Council adopted fees and charges for processing applications for City actions or approvals.

1.23 "Project" means the development of the Property contemplated by the SPA and implemented through PADIPs as defined herein which may be further defined, enhanced or modified pursuant to the provisions of this Agreement. This Agreement pertains to six hundred eighty-five (685) acres of the seven hundred sixty (760) acres comprising the Specific Plan area. The 685 acres will be developed as a gated age-restricted community with common amenities to be maintained by one or more Homeowner's Association(s). The Project contemplates a maximum of two thousand nine hundred twenty-two (2922) dwelling units and other uses as defined in the Project Approvals, with the exception of two hundred twenty (220) dwelling units (specifically identified in the SPA) that may or may not be age-restricted.

1.24 "Project Approvals" means The Specific Plan, the SPA, the GPA 1, the GPA 2, the EIR, the Supplemental EIR, the Addendum EIR and all Subsequent Development Approvals including without limitation their respective conditions of approval.

1.25 "Property" means the real property described on Exhibit "A" to this Agreement and made a part herein by this reference.

1.26 "Subsequent Development Approvals" means all Development Approvals obtained subsequent to the Effective Date in connection with development of the Property.

1.27 "Subsequent Land Use Regulations" means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

SECTION 2. GENERAL PROVISIONS

2.1 Duration of Project Approvals. The Project Approvals shall remain valid and in effect for the entire term of this Agreement, and the City shall take no action to rescind, revise or otherwise modify the Project Approvals, except with the prior written consent or upon the request of the Master Developer (provided that such request shall not obligate the City to rescind, revise or otherwise modify the Project Approvals or this Agreement). Other than for modifications of this Development Agreement, the City's General Plan as applied to the Project, the GPA and GPA2, the Specific Plan and the SPA, individual Builders or property owners may apply for modification of the Project Approvals applicable to their own land without consent or approval of other parties holding interests in the Project, provided that any such modification does not materially affect other land or obligations of any party under this Agreement or the Project Approvals. Individual Builders or property owners may apply for modification of the Development Agreement, the General Plan and the Specific Plan only with the consent of the Master Developer and all approved Assignees of the Master Developer. Nothing in this Agreement shall be interpreted to supersede or conflict with any applicable State or Federal law, rule or regulation pertaining to any specific Project Approval.

2.2 Duration of Permits. Permits issued for the Project shall not have any time added to their duration or validity by this Agreement than what is already provided for in the applicable law governing such permit.

2.3 Term of Agreement.

2.3.1 Normal Term. The Term of this Agreement shall commence on the Effective Date of the ordinance approving this Agreement (the "Effective Date"), and shall extend for a period of ten (10) years thereafter, unless this Agreement is earlier terminated, modified or extended in accordance with the provisions of this Agreement.

2.3.2 Extension. The ten-year Term of this Agreement may be extended three times. Each extension shall be separately considered by the City according to the provisions in this Agreement. Each extension shall be for a maximum of five (5) years. An extension of the Term of this Agreement shall be upon the same terms and conditions contained in this Agreement and any modifications thereto.

2.3.3 Extension Application. Master Developer shall submit its application for an extension of this Agreement no later than six (6) months prior to its expiration. City may, at its sole discretion, accept a late application for an extension of this Agreement, but under no circumstances shall the City be

obligated by law or in equity to accept or consider an application for extension of this Agreement after the date of expiration of its then current Term.

2.3.4 Extension Granted. Each of the five (5) year extensions of the Term of this Agreement provided for in Subsection 2.3.2 above shall be granted upon determination by the City of the following:

2.3.4.1 All obligations of the Master Developer under Section 6 of this Agreement have been or are being completed in conformance with the standards and timing required by this Agreement, the Circulation Phasing Improvement Program, (Exhibit "B" to this Agreement which is incorporated herein by this reference), and the Project Approvals.

2.3.4.2 The architecture, construction and amenities of the portions of the Project that have been completed meet the standards set forth in Section 6.12 of this Agreement, the related Project Approvals and the Master Design Guidelines.

2.3.4.3 For purposes of determining consistency with the Master Design Guidelines, approval of discrete portions of the Project in the normal course of development by the appropriate entity (e.g. Planning Commission) and certification of passing the City final inspection shall satisfy this requirement.

2.3.4.4 The Master Developer has completed to the reasonable satisfaction of the City Engineer, and offered for dedication, that portion of the public infrastructure set forth in the Circulation Phasing Improvement Program (Exhibit "B") required for each extension as follows:

2.3.4.4.1 Prior to the granting of the first extension, all improvements listed as Phase 1.

2.3.4.4.2 Prior to the granting of the second extension, all improvements listed as Phase 2.

2.3.4.4.3 Prior to the granting of the third extension, all improvements listed as Phase 3.

2.3.4.5 The Master Developer has not abandoned the Project. If the Master Developer has abandoned the Project as set forth herein, this Agreement shall be deemed automatically terminated and of no further force and effect. The Master Developer shall be deemed to have abandoned the Project if any of the following occur at any time:

2.3.4.5.1 The Master Developer is dissolved or has filed a voluntary petition for dissolution in bankruptcy or been adjudicated bankrupt in an involuntary dissolution proceeding. Provided however, that if a voluntary petition for dissolution is filed and the affected Mortgagee notifies the City in writing within thirty-five (35) days of service of notice of the petition to the

Mortgagee as shown in the bankruptcy court's records that the Mortgagee intends to pursue possession of the Property and assumption of this Agreement and thereafter diligently pursues such rights, the Master Developer shall not be deemed to have abandoned the Project.

2.3.4.5.2 The Master Developer notifies the City in writing that it no longer intends to pursue development of the Project.

2.3.4.5.3 The Master Developer has not submitted public improvement agreements, construction plans and required security for public improvements, all in form and substance reasonably acceptable to the City using its normal review processes, for all public improvements required hereinabove for each extension at least two years prior to the expiration of the then current Term of this Agreement.

2.3.4.5.4 Abandonment of the Project shall be a material breach of this Agreement.

2.3.4.6 There are no outstanding material breaches of this Agreement, or material defaults under the Project Approvals, public improvement agreements or bonds issued in connection with the Property or Project which are not being diligently cured within any time permitted for such cure under the applicable document. Approval of any extension may be withheld under this provision until such cure is completed within the allotted cure period. The City's ability to grant an extension of the term of this Agreement shall not terminate during the pendency of such cure period so long as the Master Developer, or its City approved Assignee, is taking reasonable steps to effect such cure to the reasonable satisfaction of the City Manager.

2.3.4.7 For purposes of considering an extension of the term of this Agreement, the estoppel and waiver provisions of Section 15 (Subsections 15.6 and 15.7) shall apply.

2.3.5 Maximum Term. If the granting of an extension of the term of this Agreement occurs after the expiration of the Term of this Agreement, or any prior extension thereof, the extension of five (5) years shall be reduced by the total number of days that have elapsed after the original date of expiration of Term. Except as otherwise specifically allowed herein, this Agreement, shall not be effective for more than twenty-five (25) years from its Effective Date.

2.3.6 Termination Upon Completion.

2.3.6.1 If not already terminated by reason of any other provision hereof, this Agreement shall automatically terminate upon: (i) total build-out of the Project pursuant to the Project Approvals and any amendments thereto; (ii) the issuance of all occupancy permits for structures requiring such permits, or final building inspections for improvements on the Property; and (iii) acceptance by the City of all dedications of public rights-of-way and public

improvements (to the extent the City elects to accept dedication of public rights-of-way and public improvements).

2.3.6.2 Similarly, where all such conditions have been satisfied with respect to any Planning Area designated in the Specific Plan, provided that all fees have been paid or credited and provided that the Master Developer obligations required by that time have been completed as set forth in Section 6 of this Agreement and the Project Approvals, then the Master Developer may make a written request, and the City Manager shall review and act upon the written request, to terminate this Agreement as to the affected Planning Area. The City Manager shall act upon said request within thirty (30) days of receipt. If the request is not granted, the City Manager shall specify in writing all reasons for denying the request.

2.3.6.3 For purposes of Termination Upon Completion hereunder, "total build-out" shall mean the completion of all construction in the Project, or in any Planning Area of the Project, of all buildings, structures, infrastructure, improvements, landscaping and associated amenities contemplated, required or permitted by the Specific Plan, all other infrastructure required by this Agreement or the Project Approvals, and performance by the Master Developer and the City of all of their respective obligations hereunder.

2.3.6.4 This Agreement shall automatically terminate as to any individual dwelling unit upon close of escrow for a sale to an end user of that dwelling unit and issuance of a certificate of occupancy or final City inspection for that unit.

2.4 Binding Effect of Agreement.

2.4.1 Covenant. This Agreement shall bind, and inure to the benefit of, the respective Parties and their successors in interest, including their heirs, representatives, assigns, partners and investors. All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land as to the Property. However, there shall be no third party beneficiaries of this Agreement, except that this Agreement shall be enforceable by the City on behalf of any of its subsidiary or affiliated public agencies or special districts, including without limitation, its Community Redevelopment Agency, Community Services Districts, or Community Facilities Districts.

2.4.2 No Property Interest. Nothing herein shall be construed as a dedication or transfer of any right or interest in, or as creating a lien with respect to, title to the Property.

SECTION 3. PROJECT DEVELOPMENT REQUIREMENTS

3.1 Property Ownership. Master Developer represents and covenants that it is the owner of the fee simple title to the Property.

3.2 Development. Master Developer shall develop the Project in accordance with the Project Approvals and this Agreement. During the term of this Agreement, the permitted uses within the Project, the density and intensity of use, maximum height and size of buildings, other zoning standards, the requirements for reservation or dedication of land for public purposes, the mitigation requirements and all other terms and conditions of development of the Project shall be those set forth in the Project Approvals. Except as specifically provided for in the Project Approvals and/or this Agreement, the Project shall be developed and maintained as an age-restricted active adult community as more fully set forth in Section 6.8.

3.3 Rules and Regulations. Pursuant to Government Code Section 65866, and except as otherwise provided in this Agreement, the regulations, rules and official policies of the City governing (i) permitted uses within the Project, (ii) density and intensity of use, (iii) design, improvement and construction standards and specifications, and (iv) all other terms and conditions of development of the Project shall be those regulations, rules and official policies which are in effect on the effective date of the ordinance approving this Agreement, except as set forth under the Reservations of Authority below, (the "Applicable Regulations").

3.4 Building Permits. The Master Developer shall have the right to obtain building permits consistent with the Project Approvals, Land Use Regulations and Subsequent Land Use Regulations as set forth in this Agreement for the entire life of this Agreement and any extensions thereof.

3.5 Timing of Development. The parties acknowledge that Master Developer cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of Master Developer, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Because the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal. 3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that Master Developer shall have the right to develop the Property in such order and at such rate and at such time as Master Developer deems appropriate within the exercise of its subjective business judgment, subject only to any timing or phasing requirements set forth in the Project Approvals. Master Developer expects to accomplish street and traffic signal improvements in conformity with the Circulation Phasing Improvement Program (Exhibit "B").

SECTION 4. RESERVATION OF AUTHORITY

4.1 Subsequent Land Use Regulations and Processing Requirements. Notwithstanding any other provision of this Agreement, the following Subsequent

Land Use Regulations shall apply to the development of the Property:

4.1.1 City Council amended or adopted Processing Fees and charges applicable to all developments imposed by City to cover the estimated actual costs to City of processing applications for development approvals or for monitoring compliance with any development approvals granted or issued.

4.1.2 City Council amended or adopted DIF, except as otherwise provided for in this Agreement.

4.1.3 Fees adopted by the City Council to implement regional mitigation programs (e.g. Transportation Uniform Mitigation Fee (TUMF), Western Riverside County Multiple Species Habitat Conservation Plan, etc.).

4.1.4 Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

4.1.5 Regulations governing construction standards and specifications including, without limitation, the Uniform Building, Plumbing, Mechanical, Electrical, and Fire Codes as adopted, or amended and adopted, by the City.

4.1.6 Regulations which may be in conflict with the Project Approvals but which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide Master Developer with the rights and assurances provided under this Agreement.

4.1.7 Regulations imposed by State or Federal Law.

4.2 Moratoria. Regulations imposed by the City, whether adopted by City Council action, initiative or otherwise, imposing a development moratorium or limiting the rate or timing of development of the Property shall be deemed to conflict with this Agreement and shall therefore not be applicable to the Development of the Property. Development moratoria imposed by other government agencies or otherwise outside the City's reasonable control, or due to the lack of availability of water or other necessary facilities or services shall not create liability or default under this Agreement.

4.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date, prevent or preclude compliance with one or more of the provisions of this Agreement or render the City subject to liability, fine, penalty, charge, cost or restrictions on its authority or powers in order to comply with this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided,

however, that this Agreement shall remain in full force and effect to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

SECTION 5. PUBLIC FINANCING

5.1 The Master Developer is not obligated to request public financing. However, if Master Developer does request the initiation of proceedings to form a community facilities district, benefit assessment district, community services district or other similar public financing mechanism (hereinafter individually, alternatively and/or collectively referred to as "Public Financing District"), Master Developer agrees that it will make application first and solely to the City, and the City agrees to accept and consider such application according to the City's ordinances, resolutions, standards and practices generally applied to Public Financing District applications throughout the City including, without limitation, the City's Special Districts Financing Policy. If the City declines to provide such public financing, then the Master Developer may elect to initiate proceedings for public financing through any other public agency.

5.2 Consistent with Section 5.1 above, the City agrees to consider the initiation of proceedings for the establishment of one or more Public Financing Districts upon receipt of a completed written application by Master Developer. The Master Developer agrees to cast its votes in favor of, and/or to refrain from protesting the formation of, any such Public Financing District which the Master Developer has requested the City to initiate and to pay City's costs and expenses, and an issuer's fee to be established by City, in connection with each issuer. The Master Developer agrees and acknowledges that it will only support and participate in Public Financing Districts undertaken by the City (or one of City's subsidiary or affiliated entities), unless and until the City declines to provide such public financing.

5.3 If a Community Facilities District is formed at the request of the Master Developer, the proceeds from such financing shall be used as follows:

5.3.1 As first priority: public streets and traffic signals, City electric utility or other City capital project referred to in Section 6.3 below, and Riverside County Transportation Uniform Mitigation Fees (TUMF) paid by the Project to the extent they are allowed by Western Regional Council of Governments (WRCOG) and any other agency having jurisdiction thereof to be dedicated to State Route 60/Nason Street interchange improvements (including any improvements on Nason Street associated with or required as part of such interchange improvements);

5.3.2 As second priority: water and sewer infrastructure construction; and

5.3.3 As last priority: City DIF, but only to the extent such DIF is not subject to credit or reimbursement. The priority among City DIF shall be subject to City approval.

SECTION 6. OBLIGATIONS OF AND CONTRIBUTIONS BY MASTER DEVELOPER

6.1 Acknowledgement. The Master Developer acknowledges that it receives a substantial benefit by entering into this Agreement. The approval and execution of this Agreement by the City will provide the Master Developer with substantial vested rights and assurances that it would otherwise not receive as part of the development process, including without limitation, protection from City-imposed moratoria, and protection from changes in the Land Use Regulations and the Project Approvals that the City could otherwise have imposed in the exercise of its legitimate regulatory powers as a government agency. Under State law related to Development Agreements, by providing the protections of a development agreement, the City is entitled to receive from the Master Developer consideration in the form of benefits to the public that otherwise would or could not be imposed as conditions of approval for the Project. Therefore, as consideration for this Agreement, in addition to the other terms and conditions of this Agreement, the Master Developer shall provide to City the public benefits set forth herein.

6.2 Construction of Public Street and Traffic Signal Improvements – Circulation Phasing Improvement Program. Master Developer agrees to build all required public street and traffic signal improvements in accordance with the Circulation Phasing Improvement Program (Exhibit “B”). The parties acknowledge, and a traffic phasing study has confirmed, that the improvements listed on Exhibit “B” exceed the overall mitigation obligations of the Project for traffic, and agree that the accelerated timing of such improvements are a benefit to the public and a material inducement to the City to enter into this Agreement.

6.3 Moreno Valley Electric Utility and/or City Capital Project. Master Developer agrees to pay two million dollars (\$2,000,000) to the City. The first one million dollars (\$1,000,000) is to be used for the benefit of the Moreno Valley Electric Utility at the sole discretion of the City. Said payment is in addition to any other obligation the Master Developer may incur as a condition of approval, or otherwise, for the Project, or any portion thereof, concerning the Moreno Valley Electric Utility. Payment of this first one million dollars (\$1,000,000) shall be made within thirty (30) days of the Effective Date of this Agreement; provided, however, that said payment shall be placed in escrow in an interest bearing account, with interest payable to City, and City agrees not to withdraw the money until one hundred twenty (120) days after the Effective Date of this Agreement, or the conclusion of any legal proceedings challenging the validity of this Agreement or Project Approvals, whichever occurs later. Should any legal proceedings challenging the validity of this Agreement or the Project Approvals result in the invalidation of this Agreement or the Project Approvals and the decision of the

Master Developer to not proceed with the Project, all sums within the escrow account shall be returned by the escrow company to Master Developer within ten (10) calendar days of any court ruling invalidating this Agreement. The second one million dollar (\$1,000,000) payment shall be for a Moreno Valley Electric Utility and/or other City Capital Project that is eligible for inclusion in, or reimbursement from, a Community Facilities District as provided for in Section 5 of this Agreement. This second payment of one million dollars (\$1,000,000) to City shall occur at the time of recordation of the first (1st) residential subdivision map.

6.4 Covenants, Conditions and Restrictions (CC&Rs).

6.4.1 The Master Developer shall prepare CC&Rs for all Property within the Project to be recorded in the Riverside County Recorder's Office and made to run with the land.

6.4.2 Prior to recordation, the Master Developer shall submit the proposed CC&Rs to the City for review, approval and consent to record. The Master Developer shall not record any CC&Rs unless and until it has received City's consent thereto in writing. The City shall have the right to review, approve and consent to the recording of any amendments to the CC&Rs and Master Developer shall not record any amendments to the CC&Rs prior to obtaining the City's consent thereto in writing. The City shall not unreasonably withhold such consent and shall act upon any request for its consent within thirty (30) days of its receipt of the request and all information reasonably needed to make such a determination. It is understood that the City's interest in the CC&Rs is to protect the public interest, including, without limitation, assuring that common areas and facilities are properly maintained for protection of surrounding properties, protection of City facilities from impacts purportedly mitigated by private amenities (including those recreational amenities for which DIF credits have been provided), and protection from City liability or cost for water quality or other environmental impacts of the Project. Therefore, the reasonableness of the City's review and consent or denial of consent to any amendments shall be construed in light of the public interest, but review of any City decision hereunder shall be given the normal deference given to public agencies in determining the public interest.

6.4.3 The City shall be a named third party beneficiary pursuant to California Civil Code Section 1559 of all recorded CC&Rs, and any amendments thereto, with a separate and independent right, but not the obligation, to enforce the CC&Rs. This right of enforcement is in addition to all other legal and equitable remedies available to the City.

6.5 Operation and Maintenance of Common Areas by Master Developer.

6.5.1 The Master Developer acknowledges that the maintenance and operation of the common area facilities are a matter of public interest to the City in that improper or inadequate maintenance and operation will cause an impact on surrounding public facilities and surrounding home and property owners. Master Developer shall operate and maintain all common area facilities including, but not limited to, the Main Clubhouse facilities and the lake system, during the course of construction of the Project and until such time as a Master Homeowner's Association (Master HOA) for the Project shall be formed and the operation and maintenance obligations for such facilities are legally conveyed to and accepted by the Master HOA (hereinafter referred to as the "Transfer Date").

6.5.2 The Master Developer shall maintain a dedicated funding source in an amount reasonably acceptable to the City Manager for the operation and maintenance of all common area facilities during the course of construction of the Project and until the Transfer Date.

6.5.3 The Master Developer shall not be relieved of its obligations for the operation and maintenance of the Project's common area facilities until a Master HOA has been formed and the operation and maintenance responsibilities for the applicable common area facilities have been legally conveyed to and accepted by the Master HOA. Upon the Transfer Date, the Master HOA shall have the obligations described below.

6.6 Master Homeowners' Association (Master HOA).

6.6.1 The Master Developer shall form and capitalize a Master HOA for the Project. The Master HOA shall, at a minimum, have the responsibility and legal obligation to operate and maintain all common area facilities in the Project or on the Property which have been legally conveyed to and accepted by the Master HOA.

6.6.2 Until the Transfer Date, the Master Developer shall remain legally liable and responsible for the operation and maintenance of all common area facilities in the Project or on the Property. The Master Developer shall not transfer any common facilities to the Master HOA unless and until a budget approved by the California Department of Real Estate (DRE) provides for either the levy of assessments which will be adequate to fund all of the costs of operation, maintenance, repair and reserves for the common area facilities, or financial assurances deemed adequate by the DRE are posted in accordance with the regulations of the DRE. In connection with the governance of the Master HOA, the Master Developer shall, unless otherwise prevented from doing so by a court order or judgment, exercise its rights provided under Title 10 of the California Code of Regulations to appoint a majority of the Board for so long as permitted under the Master CC&Rs. As members of the Board, the Master Developer shall comply with the requirements established under the Common

Interest Development Act for preparation of budgets, the establishment of reserves and collection of assessments.

6.6.3 The CC&Rs shall require the Master HOA, upon request by the City, to provide all documentation reasonably requested by the City regarding the budgets and financial condition of the Master HOA. The City may utilize expert consultants to analyze and opine on the submitted documentation as necessary in the City's sole discretion to determine whether the Master HOA is adequately financed. The Master HOA shall bear all costs for any and all expert consultants utilized by the City in making this determination. The City shall make such determination according to accepted principles for HOA capitalization, operation and maintenance of the types and kinds of common area facilities for the Project, including any necessary reserves.

6.6.4 The CC&Rs shall include a provision which states that, if the City determines that the Master HOA has failed to maintain the common area facilities in accordance with the requirements of this Agreement and the Project Approvals, and as necessary to protect the public health, safety and general welfare, the City shall have the right, but not the obligation, to notify the Master HOA in writing of such maintenance deficiency. If within thirty (30) days after the Master HOA receives the notice from the City, the Master HOA fails to (i) correct such maintenance deficiency, or (ii) if such maintenance deficiency is of a type that cannot reasonably be corrected within thirty (30) days, fails to commence such maintenance correction and diligently pursue such correction to completion, the City may, but is not obligated to, enter onto the Property to perform all corrective maintenance at the expense of the Master HOA. All costs incurred by the City in connection with performing corrective maintenance as provided herein shall be paid for as common expenses out of the Master HOA maintenance funds as provided in the Master HOA Documentation, and if requested by the City to do so, the Master HOA shall levy a supplemental annual assessment against all Property owners or Properties in the Project area as an emergency assessment.

6.7 Main Clubhouse, Recreational Facilities, Recreational Programs, Private Parks, and Trail System.

6.7.1 Master Developer is developing the Project as an age-restricted, active adult Project. Master Developer represents it will build a Main Clubhouse of at least thirty-five thousand (35,000) square feet during phase one of the Project with a total construction cost of not less than twenty million dollars (\$20,000,000.00), including the cost of furniture, fixtures and equipment, but not including the value of the real property. Master Developer represents that Main Clubhouse amenities will include a swimming pool, tennis courts, and a spa/Jacuzzi. Master Developer also represents that active programming for Project residents will be provided in conjunction with the Main Clubhouse facilities. Based upon the needs and desires of the residents, such programming may include a staff activities director, exercise programs (e.g., yoga, aerobics,

pilates, etc.), aquatic exercise programs, tennis league and instruction, diet and nutrition programs, walking club, dance program/club, writing program/club, book club, education programs (e.g., computer classes, poetry, literature, etc.), games programs, arts and crafts programs, garden club, organized trips/excursions, and speaker series (current events, topics of the day, etc.). Master Developer also represents it will provide other recreational facilities and amenities throughout the Project, including, but not limited to, private parks, trails, greenbelts, and lakes suitable for limited boating and fishing. The standards for these other recreational facilities and amenities, including timing, acreage, number, types and quality of amenities and facilities, etc. shall be fully set forth in the SPA and shall be subject to the City's discretionary approval and shall be fully conditioned and implemented through the PADIPs. The Developer's right to the credits set forth in this Agreement for park land and facilities shall be subject to the Master Developer's providing all such recreational facilities and amenities in accordance with the standards and requirements of the SPA.

6.7.2 The Project's Master HOA documentation and CC&Rs shall make adequate provision for reasonable maintenance of the facilities and provision of appropriate programming and activities.

6.7.3 Master Developer agrees that it will commence construction of the Main Clubhouse prior to issuance of the one hundredth (100th) building permit issued anywhere in the Project, and complete construction prior to the issuance of the five hundred eighty-fifth (585th) building permit issued anywhere in the Project area. Master Developer agrees that the construction cost of the Main Clubhouse and its amenities shall be at least twenty million dollars (\$20,000,000), inclusive of furniture, fixtures and equipment, but exclusive of the value of the underlying real property.

6.7.4 Master Developer agrees to provide the recreational facilities, amenities and programming stated hereinabove to residents of the Project according to the Project Approvals and this Agreement. Master Developer agrees to comply with the Project Approvals pertaining to the other recreational facilities and amenities throughout the Project, including, but not limited to, private parks, trails, greenbelts, and lakes suitable for limited boating and fishing.

6.7.5 Master Developer agrees to provide legal and equitable assurance in the form of Master HOA documentation, CC&Rs, bonds, letters of credit, or other legally enforceable instruments to guarantee that the herein described facilities, amenities and programs will be constructed and perpetually maintained in a manner that meets or exceeds the City's standards for its own parks and facilities, and that recreational programs and amenities will be perpetually provided.

6.7.6 Master Developer agrees to, and shall ensure through Master HOA documentation that the Master HOA shall provide eight (8) days

annually, not more than two (2) of which shall be weekend days, for the Term of this Agreement, and any extension thereof, for non-exclusive use of the Main Clubhouse by the City, which dates are to be agreed upon in writing by the Parties each year. Master Developer or the Master HOA shall respond to the City's request for scheduled days within 30 days of receipt. The City's rights to such days of usage shall not be waived by failure to use or request any or all such days. All costs of such events other than use of the facility (e.g., insurance liability coverage, set-up and clean-up, food, food preparation and service, etc.) shall be born by City. In the event that this provision is found to be in conflict with any regulation of such private facilities by the California Department of Real Estate, or its inclusion would result in conditions or application of regulations that would significantly and unduly burden the Project, the parties shall meet and confer and agree to a different consideration to the City reasonably acceptable to the City and which provides similar public benefits.

6.8 State Route 60/Nason Street Interchange. Master Developer agrees to use its best efforts to obtain the consent of the Western Riverside Council of Governments, the Riverside County Transportation Commission, the California State Department of Transportation and any other local, regional, state or federal agency having jurisdiction or authority to dedicate and use the Transportation Uniform Mitigation Fees to be paid by the Master Developer for the Project for the improvement and reconstruction of the State Route 60 interchange at Nason Street in the City.

6.9 Entry Statement. Master Developer agrees to construct and provide legal and equitable assurance in the form of agreements, bonds, letters of credit, or other legally enforceable instruments for the construction and perpetual maintenance of a distinctive and quality entry statement reasonably acceptable to City, which may include arches or other structures, walls, landscaping, decorative pavement, street design and streetscape elements, water features and/or other design elements. Such entry statement shall be located at the Project's main entry on Nason Street. The SPA shall require and provide standards and design for the entry statement. Construction of the entry statement shall commence prior to the issuance of the one hundredth (100th) and be completed prior to the issuance of the five hundred eighty-fifth (585th) building permit issued anywhere in the Project area. Further, the Master HOA documentation and CC&Rs for the Project shall provide for and financially assure perpetual maintenance of the entry statement.

6.10 Perimeter Walls and Landscaping. Master Developer agrees to construct perimeter walls and landscaping consistent with the SPA and Project Approvals and provide legal and equitable assurance in the form of agreements, bonds, letters of credit, HOA documentation, CC&Rs, or other legally enforceable instruments reasonably acceptable to City for the construction and perpetual maintenance of such perimeter walls and landscaping by the five hundred eighty-fifth (585th) building permit issued anywhere in the Project area. It is acknowledged that such walls will be constructed with various phases and maps

and that security for each section of perimeter wall will be provided as appropriate with PADIPs, maps and/or other subsequent approvals.

6.11 Age Restricted Project. The Project is designed and conditioned to be an age restricted community requiring ownership and occupancy by adults aged 55 and over pursuant to State and Federal law. This age restriction is a material inducement for the City to enter into this Agreement. The parties acknowledge that, absent such age restriction, certain environmental and public facility impacts of the Project would far exceed those shown in the studies upon which the Project Approvals are predicated. A removal of, or failure to effectively enforce, the age restrictions would result in significant impacts to the surrounding community including, but not limited to, traffic, noise, air quality, excessive usage of public buildings, facilities and parks, and school overcrowding. Therefore, the Master Developer shall cause to be recorded Covenants, Conditions and Restrictions (“CC&Rs”) applying such age restriction to the entire Property, with the exception of the Planning Area designated as apartment units located outside the private, gated community. Should the City and Master Developer determine that the apartments should also be age restricted, or that apartments are an inappropriate use for that Planning Area, nothing herein shall preclude application of the age restriction to that Planning Area as well. The age restriction in the CC&Rs shall be for a period of not less than fifty (50) years. The CC&Rs shall provide the City with a separate and independent right of enforcement as to each Property in the Project and shall run with the land. The age restriction in the CC&Rs shall be in form and substance reasonably acceptable to the City Manager and City Attorney, as well as the DRE.

6.12 Master Design Guidelines. The Master Developer has represented to the City its intent to build an upscale Project with quality of architecture, construction and amenities substantially higher than those normally built in the City or required by City rules and standards. This representation is a major consideration for the City’s willingness to enter into this Agreement. An upscale development will provide public benefit to the community by attracting business owners and executives who are seeking an active adult lifestyle and who may relocate their businesses and attendant jobs to the City. Further, an upscale project environment could raise property values and enhance the image and aesthetics of the City. The Parties therefore agree that the Project will be subject to a set of guidelines (the “Master Design Guidelines”) that will assure the targeted quality while providing reasonable flexibility to the Developer to address market conditions related to architectural style. The Master Design Guidelines shall be subject to the approval of the City and shall be incorporated into the SPA. Once so approved and incorporated, they shall be incorporated by this reference into this Agreement. This Agreement will be interpreted to be consistent with these twin goals of upscale quality and reasonable flexibility.

6.13 Nexus/Reasonable Relationship Challenges. The Master Developer consents to and waives any rights it may have as of the Effective Date of this Agreement to challenge the legal validity of the conditions, requirements,

exactions, policies or programs required by the Existing Land Use Regulations, the Project Approvals, the DIF, or the Processing Fees including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax. Nothing in this Agreement shall be construed as a waiver of Master Developer's right to challenge future conditions, requirements, exactions, policies, or programs required by Subsequent Land Use Regulations, Subsequent Development Approvals, or subsequently adopted DIF or Processing Fees that are different than those in effect as of the Effective Date of this Agreement. The Master Developer consents to and waives any rights it may now or in the future have to challenge the legal validity of this Agreement or any of its provisions on any grounds whatsoever.

6.14 Cooperation By Master Developer. Master Developer will, in a timely manner, provide City with all documents, applications, plans, and other information necessary for the City to carry out its obligations under this Agreement, and cause Master Developer's planners, engineers, and all other consultants to submit in a timely manner all required materials and documents therefore.

6.15 Other Governmental Permits. Master Developer shall apply in a timely manner for such other permits and approvals from other governmental or quasi-governmental agencies having jurisdiction over the Property as may be required for the development of, or provision of services to, the Project.

6.16 Reimbursement For City's Efforts On Behalf Of Master Developer. To the extent that City, on behalf of the Master Developer, attempts to enter into binding agreements with other entities in order to assure the availability of certain permits and approvals or services necessary for development of the Project as described in this Agreement, Master Developer shall reimburse City for all costs, expenses and fully burdened staff time incurred in connection with seeking and entering into any such agreement. Any fees, assessments or other amounts payable by City pursuant to any such agreement described herein shall be borne by Master Developer except where Master Developer has notified City in writing, prior to City committing to enter into such agreement, that it does not desire for City to execute such agreement.

6.17 Defense, Indemnity, and Reimbursement For Multi-Agency Agreements. Master Developer shall defend, indemnify and reimburse City for any costs and expenses incurred by City in enforcing, executing, carrying out or defending any multi-agency agreement entered into on Master Developer's behalf.

6.18 Prevailing Wage. The Master Developer acknowledges that provisions of this Agreement, including without limitation, allowance of fee credits or caps, provision of public financing, and any other benefit to the Master

Developer, may cause the Project or portions thereof to become subject to prevailing wage and/or public contract bidding requirements under existing or future state or federal law and/or court decisions. The Master Developer acknowledges that the City has made no representations as to the applicability or non-applicability of such requirements to the Project. The Master Developer hereby assumes any and all responsibility for such determinations and any all risk and responsibility related thereto. Master Developer hereby expressly indemnifies, defends and holds City harmless from any cost, claim or liability related to prevailing wage or public bidding requirements for any public work related to the Project that the Master Developer, Assignee Developer or Builder is conditioned and/or agrees to provide.

6.19 Material Breach. Failure on the part of the Master Developer to comply with any provision of this Section shall constitute a material breach of this Agreement. However, this provision is intended to reflect a specific intent with regard to provisions that might otherwise be later interpreted not to be material and to clarify that they are material inducements to the City entering into this Development Agreement. It shall not be construed to limit what otherwise would be deemed a material breach of this agreement.

SECTION 7 OBLIGATIONS OF CITY

7.1 Processing. Upon satisfactory completion by Master Developer of all required preliminary actions and payments of appropriate processing fees, City shall promptly commence and diligently proceed to complete all required steps necessary for the implementation of this Agreement and the development of the Project by the Master Developer in accordance with the City's ordinances, policies, procedures, protocol, and applicable state and federal law, including, but not limited to, the following:

7.1.1 The holding of all required public hearings; and

7.1.2 The processing of all Development Approvals and related matters as necessary for the completion of the development of the Project. In this regard, Master Developer will, in a timely manner, provide City with all documents, applications, plans, and other information necessary for City to carry out its obligations under this Agreement and as required by existing ordinances, policies, procedures, protocol, and applicable state and federal law and shall cause Master Developer's planners, engineers, and all other consultants to submit in a timely manner all required materials and documents as therefore required.

7.2 Regional Traffic Improvements. The City agrees to cooperate with and support Master Developer in its efforts to obtain the consent of the Western Riverside Council of Governments, the Riverside County Transportation Commission, the California State Department of Transportation and any other local, regional, state or federal agency having authority to dedicate and use the

Transportation Uniform Mitigation Fees to be paid by the Master Developer for the Project for the improvement and reconstruction of the State Route 60 interchange at Nason Street in the City.

7.3 Improvement Security. Subdivision improvement security posted by the Master Developer, Assignee Developer or Builder pursuant to the requirements of the Subdivision Map Act shall be released by the City in accordance with Government Code section 66499.7. The City agrees to provide for partial release of security pursuant to the provisions of subdivision (a) of section 66499.7.

SECTION 8 FEES, FEE CREDITS AND REIMBURSEMENT

8.1 General Principles. The Parties recognize that fees which may be imposed by the City upon the Project fall within two categories: (i) fees for processing applications for City actions or approvals ("Processing Fees"); and (ii) fees or other monetary Exactions which are established or contemplated under City ordinances or resolutions in effect as of the Effective Date of this Agreement and which are intended to defray the costs of public facilities or other amenities related to development projects, including but not limited to parks, streets, libraries, traffic controls and other public facilities ("DIF").

8.2 Processing Fees. The Master Developer, Assignee Developer or Builder shall pay Processing Fees for the Project based upon the fees generally applicable to all development in the City at the time of the application for any City action or approval subject to the following adjustments:

8.2.1 Expedited Development Services. The City acknowledges Master Developer's intention to expedite the development of the Project. City agrees to cooperate with Master Developer in developing specific timeframes for City review and processing of particular submittals by Master Developer. When Master Developer desires to receive a higher level of service than is ordinarily available through existing budgeted staffing and consulting resources, City agrees to expeditiously negotiate and enter into specific written agreements with Master Developer that provide for Project-dedicated development services working under the direction of the City, including, but not limited to: Project management, transportation planning, land use planning, land development, Project inspections and legal services. It is agreed that the Master Developer shall be responsible for the full cost of the higher service levels, with the specific details to be addressed in each such written agreement.

8.3 Development Impact Fees (DIF). Except as specifically set forth in this Agreement, the Master Developer, Assignee Developer or Builder shall pay DIF for the Project based upon the fees applicable in accordance with the City's then current ordinances, resolutions and policies in effect at the time such fees are due, including the application of fee credits and reimbursements, in the same manner as applied to projects in the City not subject to a development

agreement. It is understood that the sole benefit conferred by this Agreement regarding DIF are credits and exemptions against otherwise payable fees as set forth in this Agreement, and that under no circumstances will any payments of monies be due from the City to any party on account of any DIF credit hereunder.

8.3.1 DIF Exemption – Circulation Improvements. A comprehensive Traffic Study and Phasing Study evaluated the improvements necessary to fully mitigate the Project's impacts on offsite circulation. The Circulation Phasing Improvement Program (Exhibit "B"), defines a comprehensive package of improvements which exceeds those minimum mitigation obligations, both in scope and timing. Additionally, the City has confirmed that the improvements identified in Exhibit "B" exceed the traffic-related DIF for which the Project otherwise would be liable. Accordingly, the Project is exempted from the arterial street fees, traffic signal fees, City interchange fees, and any other future DIF enacted by the City for City circulation improvements. Failure to comply with the following shall constitute a material breach of this Agreement:

8.3.1.1 Prior to the issuance of the first residential building permit for any phase identified in the Circulation Phasing Improvement Program (Exhibit "B"), and/or the Project Approvals, the Master Developer shall:

8.3.1.1.1 Execute and deliver public improvement agreements in form and content reasonably acceptable to the City for construction of all such improvements for that phase; and

8.3.1.1.2 Furnish bonds, letters of credit and/or other legally enforceable security in form, content, amounts, and with sureties reasonably acceptable to the City securing all labor, materials, and Master Developer's performance of all obligations for construction of such improvements for that phase; and

8.3.1.1.3 All such public improvement agreements and security shall remain in full force and effect until the completion and acceptance of offer of dedication of such improvements to the City.

8.3.1.2 All such improvements are actually constructed, completed, and accepted for dedication to the City in accordance with the applicable public improvement agreements, the Project Approvals, and this Agreement.

8.3.2 DIF Credit – Parks. The Master Developer, Assignee Developer or Builder shall not receive any Park DIF credit for the Planning Areas or portions thereof in the Project or on the Property that are not age restricted and/or not included in the private, gated community and shall pay one hundred percent (100%) of the Park DIF when due. Contingent upon the Master Developer complying with Section 6.7 of this Agreement, the Master Developer

will become eligible to receive a DIF credit of not more than eighty-seven and one-half percent (87.5%) of the otherwise payable park land (Quimby) and park improvements DIF, and a credit of one hundred percent (100%) for community center DIF for the age restricted portion only of the Project on a per unit, pro rata basis. Said credits shall be contingent upon the Master Developer constructing and completing all clubhouse and park facilities and providing all amenities identified in Section 6.7 of this Agreement and as conditioned in the Project Approvals. Said credits for Park DIF shall be the Master Developer's sole entitlement under this Section. The Master Developer will become eligible for the Park DIF credit upon satisfaction to the City Manager that Master Developer has constructed and completed the identified clubhouse and park facilities and is providing the identified amenities for the Planning Area or portion thereof conditioned for those facilities and amenities. The portion of park land, park improvement, and community/recreation center DIF subject to credit under this Agreement for a Planning Area or portion thereof shall be deferred for collection by the City until the completion of that Planning Area, Tract or other portion thereof, but only if bonds, letters of credit or other security for the full amount of the fee subject to the credit is delivered to the City in form and substance and from a surety reasonably acceptable to the City. The Park DIF amount not subject to such credit is payable by the Master Developer, City approved Assignee Developer or Builder, as appropriate, when due. This Park DIF credit is contingent upon the Master Developer completing all clubhouse and park and recreation facilities and amenities no later than the end of construction of the Planning Area or portion thereof conditioned for that improvement. If the clubhouse and park and recreation facilities and/or amenities for the conditioned Planning Area or portion thereof are not constructed and completed prior to the end of construction of the Planning Area or portion thereof conditioned for said improvement, the Master Developer shall not be entitled to any Park DIF credit for that Planning Area or portion thereof and shall pay the full amount of Park DIF for that Planning Area or portion thereof within thirty (30) days of the final inspection of the last unit in that Planning Area or portion thereof. If Master Developer fails to pay such Park DIF when due, City shall have the right, but not the obligation, to draw upon the security posted for such fees to assure payment to the City of one hundred percent (100%) of the Park DIF for the conditioned Planning Area or portion thereof.

SECTION 9 ASSIGNMENT

9.1 Acknowledgement. Master Developer and Master Developer's Principals have demonstrated, and the City finds, that Master Developer and Master Developer's Principals possess the experience, reputation, and financial resources to develop and maintain the Property in the manner contemplated by this Agreement. It is because of such qualifications, which assure the development of the Property to a high quality standard that the City is entering into this Agreement. Accordingly, restrictions on the right of the Master Developer and Master Developer's Principals to assign the rights and privileges

contained in this Agreement are necessary in order to assure the achievement of the objectives of the City and this Agreement.

9.2 Master Developer's Principals. Master Developer is a partnership owned directly or indirectly by Julius Trump and Eddie Trump and members of their families (or trusts therefore), Iddo Benzeevi and members of his family (or trusts therefore), and a trust, the beneficiaries of which may include members of the families of Julius Trump and Eddie Trump and/or charitable institutions (collectively, the "Partners"). Notwithstanding Section 9.7, a change in the ownership of the Master Developer which does not result in the Partners no longer having control of the Master Developer shall not constitute an assignment. Though not an assignment under this Agreement, should any of the Partners become no longer associated with the Master Developer, Master Developer agrees to provide City with notice thereof within thirty (30) calendar days of such event.

9.3 No Assignment Without City Consent. Except as otherwise specifically provided for in this Section, Master Developer shall not assign any rights, obligations or duties under this Agreement without prior written consent from the City. Such consent shall not be unreasonably withheld by the City and shall be made in accordance with the provisions of this Section 9.

9.4 Non-assignment Sales or Leases to Builders. Notwithstanding any other provision in this Section, a sale or lease of a portion of the Property (whether or not a "bulk" sale of lots) to Builders without an assignment of any of the rights or obligations of this Agreement shall not constitute an assignment or other conveyance sufficient to trigger this Section 9. Any such sale or lease shall be exempt from oversight or approval procedures by City. Further, any such sale or lease shall in no way lessen or compromise the rights and obligations of the Parties to this Agreement.

9.5 Restriction on Assignment. No assignment of any right, duty or obligation under this Agreement shall be made unless it is in conjunction with a sale, hypothecation or other transfer of a legal or equitable interest in the Property, or a portion thereof, including, but not limited to, any foreclosure of a mortgage or deed of trust or of a deed in lieu of foreclosure. However, except as specifically permitted in this Section, any assignment of this Agreement, or any portion of the rights, duties or obligations thereof, by Master Developer, voluntary or involuntary, without both the prior written consent of the City and an unconditional assumption of the rights, duties and obligations under this Agreement by the Assignee in form and content reasonably acceptable to the City Attorney, shall constitute a material breach of this Agreement and the Master Developer shall remain legally liable to the City for all such rights, duties and obligations. For purposes of this Section, contracting by the Master Developer or City Approved Assignee Developer for the construction of all or part of the Master Developer's obligations under Subsections 6.2, 6.7, 6.9, and/or 6.10 shall not constitute an assignment and the Master Developer or City approved Assignee

Developer shall remain responsible, and legally liable to the City under this Agreement, for the satisfactory and timely completion of said obligations.

9.6 Restriction on Assignment Not an Unreasonable Restraint on Alienation. Master Developer agrees that the restriction on its right to assign any of its rights, obligations or duties under this Agreement is not repugnant or unreasonable in that such a restriction is a material inducement to the City to enter into this Agreement because the restriction guarantees for the City that Master Developer will provide those public benefits identified in Section 6 of this Agreement and reserves for the City the power to prevent the assignment of any of the rights, obligations or duties under this Agreement.

9.7 Assignment. The management control and responsibility of Master Developer and the expertise, competence, reputation and financial strength of Master Developer are integral components of the consideration for City entering into this Agreement. In order to preserve such consideration for City and for City to receive full value, the Parties agree that the occurrence of any of the following events constitute, for the purposes of this Agreement, an assignment:

9.7.1 A change in the composition of ownership interests in or control of the Master Developer.

9.7.1.1 For purposes of this section, however, "change in the composition of ownership interests in or control of" shall not include uncontrolled changes in ownership based upon the death or disability of one or more of the ultimate owners (e.g., transfer to heirs or conservatorship).

9.7.2 A change in the composition of ownership interests in or control of the Property, including a sale of all or a portion of the Property (other than portions of the Property sold to an Assignee Developer or Builder).

9.7.3 Any express assignment or transfer of any of Master Developer's rights, duties, or obligations under this Agreement.

9.8 City Council Approval. Upon written request of the Master Developer for approval of an assignment, the matter shall be referred to the City Council. The City Council, or City Manager or designee on their behalf, may request further documentation from the Master Developer, and Master Developer shall provide such documentation, as the City Council reasonably deems necessary to make its decision. The City agrees, to the extent permissible by law, to maintain the confidentiality of any such documentation if requested by the Master Developer. The City Council shall have sixty (60) calendar days from the date of receipt of such request to approve or deny the requested assignment. Failure of the City Council to act within that sixty (60) calendar-day period shall automatically be deemed an approval of the request; provided however, that if there remains any obligation of the Master Developer under Section 6 of this Agreement and/or the Project Approvals that was required to be completed under

the terms of this Agreement or the Project Approvals as of the date of the request, but has not been completed as of the date of the request, the request shall be deemed denied.

9.9 Conditions and Standards. The conditions and standards upon which consent to assign will be given are as follows:

9.9.1 Such Assignee possesses the experience, reputation and financial resources to cause the Property to be developed and maintained in the manner consistent with the Project Approvals and this Agreement;

9.9.2 Such Assignee enters into a written assumption agreement, in form and content reasonably acceptable to the City Attorney, expressly assuming and agreeing to be bound by the provisions of this Agreement; and

9.9.3 Such assignment will not impair the ability of City to achieve the objectives of the Project Approvals and this Agreement.

9.10 City Manager Approved Assignee Developers. Notwithstanding any other provision of this Agreement, the City Manager shall have the authority to, and shall approve an assignment of all or part of the Master Developer's rights, benefits, covenants or obligations under this Agreement to an Assignee Developer, or its parent(s) if the proposed Assignee Developer is a subsidiary, upon the following terms:

9.10.1 The proposed Assignee Developer has developed to completion at least three (3) master planned residential communities within the immediately preceding ten (10) year period, at least one (1) of which is located within the Southwestern United States; and

9.10.2 The proposed Assignee Developer has a current group net worth of at least \$200,000,000 (two hundred million dollars); and

9.10.3 The proposed Assignee Developer has not committed a breach of any development agreement to which the proposed Assignee Developer is a party for any project resulting in termination of such development agreement; and

9.10.4 The proposed Assignee Developer is not currently declared by a legislative body to be in default of any active development agreement to which the proposed Assignee Developer is a party; and

9.10.5 The proposed Assignee Developer provides the City Manager with adequate documentation to make the findings in this Section 9.10 at the time of the request for assignment; and

9.10.6 The City Manager shall thereafter have thirty (30) calendar days to make a determination on the request for assignment. If the City Manager fails to make a determination within said thirty (30) calendar days, then the

assignment shall be deemed approved.

9.11 Financing Exemption. Mortgages, deeds of trust, sales and lease-backs, pledges of ownership interests in Master Developer, collateral assignments, or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the Property are permitted without the consent of the City, provided the City receives prior notice of such financing (including the name and address of the lender and the person or entities acquiring any such secured interest) and Master Developer retains the legal and equitable interest in the Property and remains fully responsible hereunder. The words "mortgage" and "deed of trust," as used herein, include all other modes of financing real estate acquisition, construction and land development commonly used by reputable land developers. City recognizes that initial (though not exclusive) financing for the Project has already been secured by the Master Developer and presently encumbers the Property and that this financing is included in this exemption.

9.12 Notice of Assignment. Upon receiving approval of an assignment, Master Developer shall provide City with written notice of such assignment and as part of such notice the Assignee must execute and deliver to City a written assumption agreement in form and content reasonably acceptable to the City Attorney in which the name and address of the Assignee is set forth and the Assignee expressly and unconditionally assumes all obligations of the assigned provisions of this Agreement.

9.13 Unapproved Assignments. If City reasonably makes the determination not to consent to the assignment of the rights, obligations and duties contained in this Agreement, and Master Developer assigns this Agreement to a third party, in whole or in part, Master Developer shall remain legally liable and responsible for all of the duties and obligations of this Agreement not previously assigned with City approval, in addition to all other rights and remedies the City may have on account of such breach.

9.14 Approved Assignments. If City consents to the assignment, Master Developer shall remain liable and responsible for all of the rights, obligations and duties of this Agreement until City receives from the Assignee an executed written assumption agreement in form and content reasonably acceptable to the City Attorney. Upon receipt of an acceptable executed assumption agreement from the Assignee, the Master Developer shall be relieved of its rights, obligations and duties under this Agreement to the extent that such rights, obligations and duties have been specifically transferred to and accepted by the Assignee. As to those rights, obligations and duties not specifically accepted in writing by the Assignee, the Master Developer shall remain legally liable therefore to the City.

9.15 Notice of Sale of Property. Master Developer shall give written notice to the City, within ten (10) calendar-days after close of escrow, of any sale

or transfer of any portion of the Property, specifying the name or names of the Purchaser, the Purchaser's mailing address, the amount and location of the land sold or transferred, and the name and address of a single person or entity to whom any notice relating to this Agreement shall be given.

9.16 Termination of Agreement with respect to Individual Lots or Parcels Sold. The provisions of this Section shall not apply to a sale, or lease for a period longer than one year, of individual parcels or lots which have been individually sold or leased to an ultimate end user in accordance with a recorded final tract or parcel map. Notwithstanding any other provision of this Agreement, this Agreement shall terminate with respect to any such lot or parcel without the execution or recordation of any further document upon satisfaction of the following conditions:

9.16.1 The lot or parcel has been finally subdivided and individually (not in "bulk") sold or leased for a period longer than one year to an ultimate end user; and

9.16.2 A certificate of occupancy or approval of final building inspection by the Building and Safety Division has been issued for a structure on the lot or parcel.

9.17 Material Breach. Failure on the part of the Master Developer to comply with any provision of this Section shall constitute a material breach of this Agreement. However, this provision is intended to reflect a specific intent with regard to provisions that might otherwise be later interpreted not to be material and to clarify that they are material inducements to the City entering into this Development Agreement. It shall not be construed to limit what otherwise would be deemed a material breach of this agreement.

SECTION 10 DELAYS IN PERFORMANCE

10.1 Permitted Delays. In addition to any other provisions of this Agreement with respect to delay, Master Developer and City shall be excused for performance of their obligations hereunder during any period of delay actually caused by natural disaster, acts of war, civil unrest, riots, strikes, picketing, or other labor disputes, shortage of materials or supplies, or damage to or prevention of work in process by reason of fire, floods, earthquake, or other casualties, litigation, acts or neglect of the other party, or restrictions imposed or mandated by governmental entities. Likewise, any delay caused by court action or proceeding brought by any third party to challenge this Agreement, or any other permit or approval required from City or any other governmental entity for development or construction of all or any portion of the Project, whether or not Master Developer is a party to or real party in interest in such action or proceeding, shall constitute a Permitted Delay under this Section. However, it is expressly understood that the provision of the third five year extension of the Term of this Agreement is the sole remedy regarding extension of the Term for

any cause whatsoever. Therefore, while the delays defined in this Section 10.1 may excuse or toll breaches of obligations during the Term of this Agreement and its extensions, in no event shall the Term of this Agreement extend beyond 25 years regardless of any such delays.

10.2 Effect of Permitted Delays. If written notice of such delay is given to either Party within thirty (30) days of the commencement of such delay, an extension of time for performance of affected obligations for such cause shall be granted in writing for the period of the enforced delay. However, any such delay shall not be deemed to extend the Term of this Agreement or any extension thereof beyond the expiration date of this Agreement.

SECTION 11 DEFAULT

11.1 Enforcement. Unless amended or canceled as herein provided, this Agreement is enforceable by any Party to it notwithstanding a change in the applicable General or Specific Plan or amendments thereto, zoning, subdivision, building regulations or other Land Use Regulations adopted by the City which otherwise would alter or amend the rules, regulations, or policies governing permitted uses of the Property, density, design, improvement, and construction standards and specifications applicable to the Project Approvals.

11.2 Event of Default. Subject to any extensions of time by mutual consent in writing, and subject to the provisions of the Section regarding Permitted Delays, the failure or unreasonable delay by either Party to perform any material term or provision of this Agreement for a period of thirty (30) calendar days after the dispatch of a written notice of default from the other Party shall constitute a default under this Agreement. If the nature of the alleged default is such that it cannot reasonably be cured within such thirty (30) calendar day period, the commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure within such period.

11.3 Material Breach Existing at Time of Assignment or Transfer. Any material breach of the provisions of this Agreement by the Master Developer existing at the time of a proposed assignment shall be grounds for the City to not to approve such assignment. All obligations under this Agreement shall remain the obligations of the Master Developer unless and until such assignment is approved by the City according to the provisions of this Agreement, and the Assignee expressly accepts such obligation in form and content reasonably acceptable to the City Attorney.

11.4 Notice of Default. The Party claiming default shall provide written notice to the other Party specifying the Event of Default and the steps the other Party must take to cure the default in accordance with the terms and conditions of this Agreement.

11.5 Cure Period. During the time periods herein specified for cure of an Event of Default, the Party charged therewith shall not be considered to be in default for purposes of termination of this Agreement, institution of legal proceedings with respect thereto, or issuance of any building permit with respect to the Project.

11.6 General Default Remedies. After notice and expiration of the thirty (30) calendar day period without cure, the non-defaulting Party shall have such rights and remedies against the defaulting Party as it may have at law or in equity, including, but not limited to, the right to terminate this Agreement pursuant to Government Code Section 65868 or seek mandamus, specific performance, injunctive or declaratory relief.

11.7 Specific Default Remedies. In the Event of Default by Master Developer, in addition to the General Default Remedies, City shall be entitled to retain fees, grants, dedications or improvements to public property which it may have received prior to Master Developer's default without recourse.

11.8 Remedies Cumulative. Any rights or remedies available to non-defaulting Party under this Agreement and any other rights or remedies that such Party may have at law or in equity upon a default by the other Party under this Agreement shall be distinct, separate and cumulative rights and remedies available to such non-defaulting Party and none of such rights or remedies, whether or not exercised by the non-defaulting Party, shall be deemed to exclude any other rights or remedies available to the non-defaulting Party. The non-defaulting Party may, in its discretion, exercise any and all of its rights and remedies, at once or in succession, at such time or times as the non-defaulting Party considers appropriate.

11.9 Legal Action. Either Party may, in addition to any other rights or remedies, institute legal action to cure, correct or remedy a default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation hereof, or enforce by specific performance the obligations and rights of the Parties hereto.

11.10 No Monetary Damages Relief Against City. The parties acknowledge that City would not have entered into this Agreement had it been exposed to monetary damage claims from Master Developer for any breach thereof. As such, the parties agree that in no event shall Master Developer be entitled to recover monetary damages against City for breach of this Agreement but shall only be entitled to specific performance as determined by the court.

11.11 Master Developer Default. The City shall have no obligation to issue any grading, building or other development permit nor accept any permit application for any activity on the Property after Master Developer is determined by City to be in default of the provisions and conditions of this Agreement, and until such default thereafter is cured by the Master Developer or is waived by

City. Provided that the delegation or transfer of obligations under this Agreement has been approved by the City, the default of the Master Developer or an approved Assignee of such obligations shall not be a default by the other parties having separate obligations under this Agreement. In such event, the City shall not be entitled to terminate or modify this Agreement with respect to the non-defaulting Party or the portions of the Property owned by the non-defaulting Party. Nothing in this provision shall limit the City's ability to enforce any condition of approval or other obligation of any of the Project Approvals, public improvement agreements, or bonds for the Project or any part thereof, including withholding of permits for any part of the Project for which any such obligations remain unfulfilled regardless of the party holding the obligation.

11.12 Waiver. All waivers must be in writing, signed by the waiving party, to be effective or binding upon the waiving Party, and no waiver shall be implied from any omission by a Party to take any action with respect to such Event of Default. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party shall not constitute waiver of such Party's right to demand strict compliance by such other Party in the future.

11.13 Scope of Waiver. No express written waiver of any Event of Default shall affect any other Event of Default, or cover any other period of time than that specified in such express waiver.

11.14 Attorney's Fees. Should legal action be brought by either Party for breach of this Agreement or to enforce any provision herein, the prevailing party shall be entitled to reasonable attorneys fees (including attorneys' fees for in-house City Attorney services), court costs and such other costs as may be fixed by the court. Reasonable attorneys' fees of the City Attorney's Office or other in-house counsel shall be based on comparable fees of private attorneys practicing in Riverside County.

SECTION 12 TERMINATION

12.1 Effect of Termination. Upon termination of this Agreement, the rights, duties and obligations of the Parties hereunder shall, subject to the following provision, cease as of the date of such termination.

12.2 Termination by City. If City terminates this Agreement because of Master Developer's default, then City shall retain any and all benefits, including money or land received by City hereunder.

SECTION 13 RELATIONSHIP OF PARTIES

13.1 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project Site is a separately undertaken private development.

13.2 Independent Contractors. The parties agree that the Project is a private development and that neither party is acting as the agent of the other in any respect hereunder.

13.3 No Joint Venture or Partnership. City and Master Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making City and Master Developer joint ventures or partners.

13.4 No Third Party Beneficiaries. The only Parties to this Agreement are Master Developer and City. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit, or be enforceable by any other person whatsoever except for City approved Assignee Developers of all or a portion of this Agreement. However, this Agreement shall be enforceable by the City on behalf of any of its affiliated agencies, including, without limitation, its Community Redevelopment Agency, Community Services District and Community Facilities Districts.

13.5 Ambiguities or Uncertainties. The parties hereto have mutually negotiated the terms and conditions of this Development Agreement and this has resulted in a product of the joint drafting efforts of both Parties. Neither Party is solely or independently responsible for the preparation or form of this Agreement. Therefore, any ambiguities or uncertainties are not to be construed against or in favor of either Party.

SECTION 14 AMENDMENT OF AGREEMENT

14.1 Amendment or Cancellation of Agreement. This Agreement may be amended or modified in whole or in part only by written consent of all Parties in the manner provided for in Government Code Section 65868.

14.2 Clarification. The Parties acknowledge that refinement and further development of the Project may require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Project Approvals. In the event Master Developer finds that a change in the Existing Project Approvals is necessary or appropriate, Master Developer shall apply for a Subsequent Development Approval to effectuate such change and City shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. Unless otherwise required by law, as determined in City's reasonable discretion, a change to the Existing Project Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

14.2.1 Alter the permitted uses, including the age-restriction, of the Property as a whole; or

14.2.2 Increase the density or intensity of use of the Property as a whole; or

14.2.3 Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or

14.2.4 Constitute a project requiring a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

14.3 Implementation Agreement. The foregoing notwithstanding, the Parties acknowledge that implementation of this Agreement will require close cooperation between them, and that, in the course of such implementation, it may be necessary to supplement this Agreement to address details of the Parties' performance and to otherwise effectuate the purposes of this Agreement and the intent of the Parties with respect thereto. If and when, from time to time, the Parties find it necessary or appropriate to clarify the application or implementation of this Agreement without amending any of its material terms, the Parties may do so by means of an implementing agreement which, after execution, shall be attached hereto as an addendum and become a part hereof. Any such implementing agreement may be executed by the City Manager on behalf of the City.

SECTION 15 PERIODIC REVIEW OF COMPLIANCE WITH AGREEMENT

15.1 Annual Review. This Agreement shall be subject to annual review, pursuant to California Government Code Section 65865.1. Within thirty (30) days following each anniversary of the date of recording of this Agreement, the Master Developer shall submit to the Planning Official of the City written documentation demonstrating good-faith compliance with the terms of this Agreement ("Annual Report"). Inaction by the City on any such annual review shall not constitute a waiver on the part of the City to take any action or enforce any rights under this Agreement and shall not be a defense to the Master Developer for failing to perform any of its obligations under this Agreement.

15.2 Contents of Report. The Annual Report and any supporting documents shall describe (i) any permits or other Project Approvals which have been issued or for which application has been made and (ii) any development or construction activity which has commenced or has been completed since the Effective Date hereof or since the preceding annual review. The City shall review all the information contained in such report in determining the Master Developer's good faith compliance with this Agreement.

15.3 Procedure. The following procedure shall be followed in conducting an Annual Review:

15.3.1 During either an annual review or a special review, Master Developer shall be required to demonstrate good faith compliance with the terms of the Agreement. The burden of proof on this issue shall be on Master Developer.

15.3.2 During either an annual review or special review, City shall not be prohibited from raising repeated non-compliance with the Master Design Guidelines, Project Approvals or this Agreement as evidence of a pattern of non-compliance.

15.3.3 Upon completion of an annual review, the City Manager shall submit a report to the City Council setting forth the evidence concerning good faith compliance by Master Developer with the terms of this Agreement and his or her recommended finding on that issue.

15.3.4 If the City Council finds on the basis of substantial evidence that Master Developer has complied in good faith with the terms and conditions of this Agreement, the review shall be concluded.

15.3.5 If the City Council makes a preliminary finding that Master Developer has not complied in good faith with the terms and conditions of this Agreement, the City Council may terminate this Agreement as provided in this Section and Section 11. Notice of default as provided under Section 11 of this Agreement shall be given to Master Developer prior to or concurrent with proceedings under this Section and/or Section 11. Should the City fail to issue a notice pursuant to Section 11 of this Agreement within sixty (60) days of the filing of an annual report by Master Developer, Master Developer may demand in writing a response from City. Should City fail to respond to Master Developer's written demand within fifteen (15) days of such demand, Master Developer shall be deemed to be in good faith compliance with the terms of this Agreement.

15.4 Proceedings Upon Termination. If, upon a finding under this Section, City determines to proceed with termination of this Agreement, City shall give written notice to Master Developer of its intention so to do. The notice shall be given at least ten (10) calendar days prior to the scheduled hearing and shall contain:

15.4.1 The time and place of the hearing; and

15.4.2 A statement as to whether or not City proposes to terminate the Agreement; and

15.4.3 Such other information as is reasonably necessary to inform Master Developer of the nature of the proceeding.

15.5 Hearing on Termination. At the time and place set for the hearing on termination, Master Developer shall be given an opportunity to be heard. Master Developer shall be required to demonstrate good faith compliance with

the terms and conditions of this Agreement. If the City Council finds, based upon substantial evidence, that Master Developer has not complied in good faith with the terms or conditions of this Agreement, the City Council may terminate this Agreement to protect the interests of the City. The decision of the City Council shall be final, subject only to judicial review pursuant to applicable provisions of the California Code of Civil Procedure.

15.6 Estoppel. If City determines that Master Developer is in compliance with the terms and provisions of this Agreement in its annual review of a timely filed Annual Report, City shall not be entitled to revisit any such year as grounds for default under this Agreement. As to any year that Master Developer does not timely file an Annual Report, City may request at any time, and Master Developer shall provide such Annual Report within thirty (30) calendar days of such request. However, as to any year that Master Developer fails to file a timely Annual Report, City shall not be estopped from asserting any events of non-compliance for any such year as grounds for default under this Agreement.

15.7 Waiver. The City does not waive any claim of defect in performance by the Master Developer if, at the time of an annual review, the City does not propose immediately to exercise its remedies hereunder.

SECTION 16 NOTICE

16.1 Form of Notice. All notices between the City and either the Master Developer or any Assignee, given pursuant to the provisions of this Agreement, shall be in writing and shall be given by personal delivery or certified mail. Notice by personal delivery shall be deemed effective upon the delivery of such notice to the Party for whom it is intended at the address set forth below (or, in the case of an Assignee, at the address specified by such Assignee in a written notice to the City). Notice by mail shall be deemed effective two (2) business days after depositing such notice, addressed as set forth below, properly sealed, postage prepaid, certified, return receipt requested, with the United States Postal Service, regardless of when the notice is actually received. The addresses to be used for purposes of Notice shall be:

To City: City of Moreno Valley
Attn: City Manager & Community Development
Director
14177 Frederick Street
P.O. Box 88005
Moreno Valley, CA 92552
Facsimile: (951) 413-3210 and (951) 413-3469

With a copy to: City Attorney
City of Moreno Valley
14177 Frederick Street
P.O. Box 88005

Moreno Valley, CA 92552
Facsimile: (951) 413-3034

To Master Developer: Highland Fairview Properties, LLC
24525 Alessandro Boulevard
Moreno Valley, CA 92552
Facsimile: (951) 242-9165
Attn: Iddo Benzeevi

With copies to: The Trump Group
4000 Island Boulevard
Williams Island, FL 33160
Facsimile: (305) 466-3570
Attn: Jules Trump

Mark Hirsch
The Trump Group
200 W. 57th Street
New York, NY 10019
Facsimile: (646) 871-8796

TG Services, Inc.
Attn: Jim Lieb, Executive Vice President
4 Stage Coach Run
East Brunswick, NJ 08816
Facsimile: (732) 390-3319

16.2 Change of Address. Any Party (and any Assignee) may change the address to which notices are to be sent (and/or the person to whose attention notices are to be directed) at any time by giving written notice of such change in the manner provided above.

SECTION 17 INDEMNITY

17.1 Indemnity. Master Developer shall indemnify, defend and hold City, its officers, agents, affiliated agencies and employees and independent contractors free and harmless from any claims or liability based or asserted upon any act or omission of Master Developer, its officers, agents, employees, subcontractors and independent contractors for property damage, bodily injury, or death (Master Developer's employees included) or any other element or damage of any kind or nature, relating to or in any way connected with or arising from the activities provided in this Agreement. Master Developer shall defend, at its expense, including payment of attorneys' fees, City, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. City may, in its discretion, participate in the defense of any such legal action, and may choose its own legal counsel, the costs of which

shall be subject to this indemnification by Master Developer

17.2 Defense of Agreement & Project Approvals. Master Developer shall defend, indemnify and hold the City, its officers, agents, affiliated agencies and employees harmless from any claims or liability based upon or arising from the approval, adoption and/or implementation of this Agreement, the Project Approvals, and/or any other approval, permit or other action undertaken by the City in approving or carrying out any part of the Project, including without limitation, actions based on the California Environmental Quality Act or other state statute or any provision of the California or United States Constitution.

17.3 Environmental Indemnity. Master Developer shall defend, indemnify and hold City, its officers, agents, affiliated agencies, employees, and independent contractors free and harmless from any claims or liability based upon or arising from the presence of any Hazardous Substance on any of the Property located in the Project. As used herein, "Hazardous Substance" shall mean any "hazardous substances," "toxic substance," "hazardous waste," or "hazardous material" as defined in one or more Environmental Laws, whether now in existence or hereinafter enacted; provided, however, that "Hazardous Substance" shall (i) include petroleum and petroleum products (other than naturally occurring crude oil and gas) and (ii) include radioactive substances which are not naturally occurring, and (iii) include any friable or non-friable asbestos or asbestos-containing material contained in or affixed to a structure existing on the Property or otherwise located in, on or about the Property as of the date of this Agreement. As used herein, "Environmental Laws" shall mean any and all federal, state, municipal and local laws, statutes, ordinances, rules, and regulations which are in effect as of the date of this Agreement, or any and all federal, or state laws, statutes, rules and regulations which may hereafter be enacted and which apply to the Property or any part thereof, pertaining to the use, generation, storage, disposal, release, treatment or removal of any Hazardous Substances, including without limitation, the Comprehensive Environmental Response Compensation Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901, et seq., ("RCRA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Clean Water Act, 33 U.S.C. Section 1251, et seq., and California Health and Safety Code Section 25100, et seq. Master Developer acquired the Property pursuant to a Real Property Purchase and Sales Agreement entered into with the Regents of the University of California ("Prior Property Owner") as the Seller dated as of January 6, 2004 ("the Purchase Agreement"). To the extent that Master Developer is or may be entitled to defense or indemnification from Prior Property Owner in connection with the presence of any such Hazardous Substances on the Property as provided in the Purchase Agreement, Master Developer shall assert any such defenses or indemnification rights on behalf of City, its officers, agents, employees, and independent contractors at City's option. If Master Developer chooses not to assert any such defenses or indemnification rights on behalf of City, Master Developer shall assign such rights to City. However, Master

Developer's obligation to defend, indemnify and hold harmless City and its officers, employees, agents or independent contractors from any claims or liability in connection with or arising from the presence of any Hazardous Substance on the Property or any portion thereof shall not be in any way limited or eliminated by the terms of the Purchase Agreement, and Master Developer's obligation hereunder shall survive the termination of this Development Agreement, no matter how caused. Notwithstanding anything herein to the contrary, Master Developer shall have no obligation to indemnify the City as herein provided with respect to any Hazardous Substances which are proven by Master Developer to have been first brought onto the Property subsequent to the sale by the Master Developer of the Property, or the affected portions thereof.

SECTION 18 MORTGAGEE PROTECTIONS

18.1 Right to Encumber. The Parties agree that nothing in this Agreement shall prevent or limit the Master Developer, an Assignee Developer, or a Builder, in its sole discretion, from encumbering the Property, or any portion thereof, including without limitation any private improvements thereon, by any mortgage or other security device to a Mortgagee as defined in Section 1.20 of this Agreement. The City acknowledges that the Mortgagee providing such financing may request certain modifications to this Agreement and the City agrees, upon request from time to time, to meet with the Master Developer, Assignee Developer, and/or such representatives of a Mortgagee to negotiate in good faith regarding such request for modification.

18.2 Mortgage Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any mortgagee. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any Mortgagee made in good faith and for value and any acquisition or acceptance of title or any right or interest in or with respect to the Property, or any portion thereof, by a Mortgagee shall be subject to all of the terms and conditions contained in this Agreement.

18.3 Mortgagee Not Obligated. No Mortgagee of the Master Developer or Assignee Developer shall in any way be obligated by any provisions of this Agreement, nor shall any covenant or any other provision of this Agreement be construed or interpreted to obligate such Mortgagee. However, any provision or covenant of this Agreement to be performed by the Master Developer or Assignee Developer as a condition precedent to the performance of a provision or covenant of this Agreement by the City shall continue to be a condition precedent to City's performance under this Agreement.

18.4 Notice of Default to Mortgagee. If City receives written notice from a Mortgagee of the Master Developer, Assignee Developer or Builder requesting a copy of any notice of default given to Master Developer or Assignee Developer under this Agreement and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Master

Developer or Assignee Developer, any notice given to Master Developer or Assignee Developer with respect to any claim by City that Master Developer or Assignee Developer has not complied in good faith with the terms of this Agreement or has committed an event of default. City shall only be obligated to serve such notice on any Mortgagee actually giving notice as provided for herein, and only at the address actually given by the Mortgagee in said notice. Mortgagees shall be required to provide City with a notice of change of address in the same manner as the original request for service of notice.

18.5 Mortgagee Rights and Obligations. Notwithstanding any default by the Master Developer or Assignee Developer, this Agreement shall not be terminated and any Mortgagee to whom notice has been given may assume all of the rights, benefits and obligations of the Master Developer or Assignee Developer in this Agreement as to the Property, or portion thereof, upon which the Mortgagee has a security interest if:

18.5.1 The Mortgagee notifies the City in writing within sixty (60) calendar days of the date the City gives notice of default to the Mortgagee of its intent to cure the default;

18.5.2 The Mortgagee thereafter commences to effectuate a cure of the default relative to the proportionate share of the master Developer's or Assignee Developer's obligation this Agreement allocable to that part of the Property in which the Mortgagee has an interest and diligently pursues completion of the cure within sixty (60) calendar days if the Mortgagee elects to cure without acquiring and obtaining possession of the Property, or any portion thereof; and

18.5.3 If the cure requires the Mortgagee to obtain title or possession of the Property, or any portion thereof, the Mortgagee shall:

18.5.3.1 Notify the City in writing within sixty (60) calendar days of the date the City gives notice of default to the Mortgagee of its intent to cure the default relative to the proportionate share of Master Developer's or Assignee Developer's obligation under this Agreement allocable to that part of the Property in which the Mortgagee has an interest;

18.5.3.2 Commence foreclosure proceedings within sixty (60) calendar days of the date of the Mortgagee's written notice to City of intent to cure;

18.5.3.3 Diligently pursue foreclosure proceedings to conclusion and obtain title and/or possession of the Property, or portion thereof, on which the cure is to be effectuated; and

18.5.3.4 Diligently pursue to effectuate and complete a cure in a timely manner.

18.5.4 Subject to the foregoing and there being no notice of default given by the City, any Mortgagee of the Master Developer or Assignee Developer who records a notice of default as to its mortgage or other security instrument, City shall consent to the assignment of all of Master Developer's or Assignee Developer's rights, benefits, covenants and obligations under this Agreement to said Mortgagee. As to any purchaser of the Property, or any portion thereof, at a foreclosure or trustee sale, and there being no default of the Master Developer or Assignee Developer under this Agreement, City shall consent to the assignment of all of Master Developer's or Assignee Developer's rights, benefits, covenants and obligations under this Agreement to said purchaser. If there is any event of default of this Agreement as to the Property, or portion thereof, acquired by the purchaser at a foreclosure or trustee sale, the purchaser shall be required to cure the event of default according to the provisions of this Section 18.5 prior to the City consenting to such assignment. Master Developer shall remain liable, however, for any obligations under the Amended Agreement unless Master Developer is released by City or the applicable portion of the Property is transferred with the consent of the City in accordance with Section 9 of this Agreement, provided that such Mortgagee or other purchaser assumes Master Developer's obligations under this Agreement.

18.5.5 If the Mortgagee or foreclosure-sale purchaser complies with the provisions of this Section 18.5, the City shall approve an Assignment of this Agreement to the Mortgagee or foreclosure-sale purchaser as it affects the Property, or portion thereof, upon which the Mortgagee or foreclosure-sale purchaser has obtained title and/or possession if the Mortgagee so requests.

18.5.6 Notwithstanding the foregoing, as to the Property or portion thereof to which the Mortgagee has acquired title, if the Mortgagee elects to develop the Property, or any portion thereof, in accordance with the Project Approvals, the Mortgagee shall be required to assume and perform the obligations and other affirmative covenants of the Master Developer or Assignee Developer under this Agreement.

18.6 Master Developer Remains Liable. Unless expressly released by the City in writing, the Master Developer or Assignee Developer shall remain legally and contractually liable to the City for all of the Master Developer's or Assignee Developer's, respectively, covenants and obligations under this Agreement as to the Property, or portion thereof, that is acquired by a Mortgagee or subsequent approved purchaser at a foreclosure or trustee sale. Upon an approved Assignment of this Agreement to a Mortgagee or subsequent purchaser at a foreclosure or trustee sale, City shall release in writing the Master Developer or Assignee Developer from its covenants and obligations under this Agreement that are expressly assigned to or assumed by the Mortgagee or subsequent approved purchaser at a foreclosure or trustee sale as to the Property, or portion thereof, that is acquired.

18.7 Bankruptcy. Notwithstanding the foregoing provisions of this Section 18, if any Mortgagee of The Master Developer or Assignee Developer is prohibited from commencing or prosecuting foreclosure or other appropriate proceedings in the nature thereof by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving Master Developer or Assignee Developer, the times specified in Section 18.5 for commencing or prosecuting foreclosure or other proceedings shall be extended for the period of the prohibition, provided that such Mortgagee is proceeding expeditiously to terminate such prohibition and in no event for a period longer than one (1) year.

18.8 No Automatic Assignment to Mortgagee. Notwithstanding the foregoing provisions of this Section 18, no Mortgagee of the Master Developer or Assignee Developer shall become a party to this Agreement, or obtain any rights, privileges or obligations of this Agreement, except as provided for in this Section 18.

18.9 Assignment to Mortgagee. A Mortgagee or foreclosure-sale purchaser of the Master Developer or Assignee Developer who complies with the requirements of Section 18.5 shall be approved as an assignee of all the rights, benefits and obligations of this Agreement as it pertains to the Property, or portion thereof, that the Mortgagee or foreclosure-sale purchaser acquires.

18.10 Amendment. There shall be no amendment to or modification of this Agreement except as provided for in Section 14 of this Agreement governing amendments.

SECTION 19 INTERPRETATION AND ENFORCEMENT OF AGREEMENT

19.1 Complete Agreement. This Agreement represents the complete understanding between the Parties, and supersedes all prior agreements, discussions and negotiations relating to the subject matter hereof. No amendment, modification or cancellation of this Agreement shall be valid unless in writing and executed by the Parties.

19.2 Severability. If any terms, provisions, covenants or conditions of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provisions for development of the Property as set forth in this Agreement, including without limitation the payment of the fees and provision of improvements set forth therein, are essential elements of this Agreement and City and Master Developer would not have entered into this Agreement but for such provisions and if determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

19.3 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed by interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

19.4 Applicable Law. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of California and any applicable laws of the United States of America.

19.5 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

19.6 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

19.7 Authority of Signatories. All the Parties represent and warrant that the persons signing this Agreement on their behalves have full authority to bind the respective Parties.

19.8 Waiver and Delays. Failure by either Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or failure by either Party to exercise its rights upon a default by the other Party, shall not constitute a waiver of any right to demand strict performance by such other Party in the future.

19.9 Third Party Actions. Nonperformance by either Party shall not be excused because of a failure of a third person, except as specifically provided herein.

19.10 Estoppel Certificates. Any Party may, at any time and from time to time, deliver written notice to another Party requesting certification in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended, or, if so amended, identifying the amendments; and (iii) the requesting Party is not in default in the performance of its obligations under this Agreement, or, if in default, describing the nature and extent of any such default. A Party receiving a request hereunder shall execute and return a certificate within thirty (30) days following the receipt thereof. The City Manager of the City shall have the authority to execute any such certificate requested by the Master Developer

in form reasonably acceptable to the City Manager. The City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees.

19.11 Exhibits. All exhibits referred to in, and attached to, this Agreement are incorporated herein by such reference.

19.12 Adoption of Agreement. Adoption of this Agreement by the City shall be by ordinance.

19.13 Recording of Agreement. Within ten (10) days following the adoption by the City of the ordinance approving this Agreement, or any subsequent amendment hereof, the City Clerk shall submit for recordation a fully executed copy hereof with the County Recorder of Riverside County, State of California.

19.14 Further Assurances. The Parties each agree to do such other and further acts and things, and to execute and deliver such instruments and documents (not creating any obligations additional to those otherwise imposed by the Agreement) as either may reasonably request from time to time in furtherance of the purposes of this Agreement.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURES APPEAR ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, the Parties have executed this Agreement, to be effective as of the date set forth in the first paragraph hereof.

"MASTER DEVELOPER"

"CITY"

MORENO VALLEY PROPERTIES, LLC,
a California limited liability company

CITY OF MORENO VALLEY,
a municipal corporation

By: _____
_____, Manager

By: _____
_____, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

DESCRIPTION

Page 1
Order No. 42015016

ALL OF BLOCKS 129, 138, 139, 148, 149, 152 AND 153 AS SHOWN BY MAP NO. 1 BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAP, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO LOTS 2 TO 7 INCLUSIVE OF BLOCK 150, LOTS 2 TO 8, INCLUSIVE IN BLOCK 151, LOTS 1, 2, 7 AND 8 IN BLOCK 157 AND LOTS 3, 4 AND 5 IN BLOCK 158, AS SHOWN BY MAP NO. 1 OF BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY.

TOGETHER WITH THOSE PORTIONS OF THE STREETS AND AVENUES VACATED BY RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, A CERTIFIED COPY OF WHICH WAS RECORDED AUGUST 11, 1966 AS INSTRUMENT NO. 81996, OFFICIAL RECORDS, WHICH WOULD PASS WITH A CONVEYANCE OF SAID LAND.

EXCEPTING FROM BLOCK 138 THOSE PORTIONS DESCRIBED IN THE DEED TO THE COUNTY OF RIVERSIDE RECORDED AUGUST 31, 1992 AS INSTRUMENT NO. 324866.

ALSO EXCEPTING FROM BLOCKS 148 AND 153 THOSE PORTIONS DESCRIBED IN THE DEED TO THE MORENO VALLEY UNIFIED SCHOOL DISTRICT RECORDED JULY 19, 1994 AS INSTRUMENT NO. 286514.

ALSO EXCEPTING AND RESERVING WITHOUT RIGHT OF SURFACE ENTRY, AS A MINERAL INTEREST AND NOT AS A ROYALTY INTEREST, ALL OIL, GAS, OTHER MINERALS AND HYDROCARBON SUBSTANCES, AND ACCOMPANYING FLUIDS, INCLUDING BUT NOT BY WAY OF LIMITATION, ALL GEOTHERMAL RESOURCES IN, UNDER, OR PRODUCED AND SAVED FROM THE REAL PROPERTY GRANTED HEREIN, TOGETHER WITH ANY OF THE FOREGOING THAT MAY BE ALLOCATED THERETO PURSUANT TO ANY POOLING OR UNITIZATION AGREEMENT OR RATABLE TAKINGS PROGRAM TO WHICH GRANTOR MAY SUBSCRIBE, AND TOGETHER WITH THE SOLE AND EXCLUSIVE RIGHT TO PROSPECT FOR, DRILL FOR, PRODUCE, AND REMOVE SUCH OIL, GAS, OTHER MINERALS AND HYDROCARBON SUBSTANCES, AND GEOTHERMAL RESOURCES, FROM SAID REAL PROPERTY BELOW THE DEPTH OF FIVE HUNDRED (500') FROM THE SURFACE OF SAID REAL PROPERTY, INCLUDING THE RIGHT TO SLANT DRILL FROM ADJACENT PROPERTY, THE RIGHT TO UTILIZE SUBSURFACE STORAGE FOR NATURAL SUBSTANCES, AND THE RIGHT TO MAINTAIN SUBSURFACE PRESSURES, AS RESERVED IN THE DEED RECORDED JANUARY 7, 2004 AS INSTRUMENT NO. 010169, OFFICIAL RECORDS.

EXHIBIT "A"

EXHIBIT "B" – (6 Pages)

AquaBella – Circulation Phasing Improvement Program

Phasing Summary

Phase	Type	Quantity	Units	Construction	Occupancy
1	Active Adult (+55) Housing				
	Detached	351	DU	July 06 – Jan 08	Jan 07 – Feb 08
Attached	234	DU			
2	Active Adult (+55) Housing				
	Detached	289	DU	July 07 – July 08	Jan 08 – Aug 08
Attached	193	DU			
3	Active Adult (+55) Housing				
	Detached	301	DU	Feb 08 – Mar 08	Aug 08 – Apr 09
Attached	201	DU			
4	Active Adult (+55) Housing				
	Detached	460	DU	Sept 08 – Feb 10	Mar 09 – Mar 10
Attached	306	DU			
5	Active Adult (+55) Housing				
	Detached	220	DU	Aug 09 – Aug 10	Feb 10 – Oct 10
Attached	147	DU			
6	Apartment Complex	220	DU	Aug 09 – Aug 10	Oct 10 – July 10
	Hotel	300	Room		

Phasing Improvement Details

Location	Direction	Improvement	Phase	Footnotes
Nason St from Iris to Delphinium	NB / SB	Widen to half-width (1 lane per direction)	Phase 1	
Nason Street at Iris Avenue	I	Install traffic signal	Phase 1	
Nason Street at Iris Avenue	SB	Construct dual right-turn lane	Phase 1	
Nason Street at Iris Avenue	EB	Construct one ADDITIONAL left turn lane	Phase 1	
Nason Street at Iris Avenue	WB	Construct one left turn lane	Phase 1	
Nason Street at Iris Avenue	WB	Construct one right turn lane	Phase 1	
Nason Street at Dracaea Avenue	I	Install traffic signal	Phase 1	
Lasselle Street at Margaret Avenue	I	Install traffic signal	Phase 1	
Nason Street at Fir Avenue	I	Install traffic signal	Phase 1	
Nason Street at Fir Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 1	

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Fir Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW) including dual left-turn lane	Phase 1	
Nason Street at Fir Avenue	EB	Construct one left turn lane.	Phase 1	
Nason Street at Fir Avenue	WB	Construct one left turn lane	Phase 1	
Lasselle Street at Delphinium Avenue	I	Install traffic signal	Phase 1	

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Eucalyptus Avenue	I	Modify Traffic Signal	Phase 2	
Nason Street at Eucalyptus Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 2	
Nason Street at Eucalyptus Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 2	
Nason Street at Eucalyptus Avenue	EB	Re-stripe lane configuration	Phase 2	
Nason Street at Eucalyptus Avenue	EB	Construct one through lane	Phase 2	
Nason Street at Eucalyptus Avenue	WB	Construct one left turn lane	Phase 2	
Delphinium Avenue		Traffic Calming on Delphinium	Phase 2	
Lasselle Street at John F Kennedy Drive	EB	Construct one additional left turn lane (Including traffic signal modification to implement Split-Phase Signal Timing)	Phase 2	
Lasselle Street at John F Kennedy Drive	EB	Re-stripe lane configuration	Phase 2	
Lasselle Street at Gentian Avenue		Re-striping lane configuration / Signal Modification	Phase 2	
Clubhouse Drive at Cactus Avenue	I	Install traffic signal	Phase 2	
Clubhouse Drive at Cactus Avenue	NB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	NB	Construct one shared through-right turn lane.	Phase 2	

Location	Direction	Improvement	Phase	Footnotes
Clubhouse Drive at Cactus Avenue	SB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	SB	Construct one shared through-right turn lane.	Phase 2	
Clubhouse Drive at Cactus Avenue	EB	Construct one left turn lane	Phase 2	
Clubhouse Drive at Cactus Avenue	WB	Construct one left turn lane	Phase 2	
Cactus Ave from Lasselle to Nason	EB / WB	Widen to half-width (1 lane per direction)	Phase 2	

Location	Direction	Improvement	Phase	Footnotes
Nason St from Cottonwood to Dracaea	NB	Construct 1 NB lane	Phase 3	
Nason Street at Cottonwood Avenue	I	Modify traffic signal	Phase 3	
Nason Street at Delphinium Avenue	I	Modify traffic signal	Phase 3	
Nason Street at Cactus Avenue	I	Modify traffic signal	Phase 3	
Nason St from Delphinium to Cactus	SB	Construct 1 SB lane	Phase 3	
Nason St from Brodiaea to Alessandro	SB	Construct 1 SB lane	Phase 3	
Nason St from Alessandro to Cottonwood	NB / SB	Construct 1 lane per direction	Phase 3	
Cactus Ave from Nason to Oliver	WB	Construct 1 WB lane	Phase 3	

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Clubhouse Drive	I	Install traffic signal	Phase 4	

Location	Direction	Improvement	Phase	Footnotes
Nason Street at Clubhouse Drive	NB	Construct one left turn lane	Phase 4	
Nason Street at Clubhouse Drive	SB	Construct one left turn lane	Phase 4	
Nason St from Iris to Delphinium	NB / SB	Complete the remaining half-width (add 1 lane per direction)	Phase 4	
Cactus Ave from Lasselle to Nason	EB / WB	Complete the remaining half-width (add 1 lane per direction)	Phase 4	
Oliver St, project frontage	NB / SB	Widen to ultimate width	Phase 4	700' Project frontage only btw J.F.K and Iris

Location	Direction	Improvement	Phase	Footnotes
Morrison St from Brodiaea to Cactus	NB / SB	Construct half-ultimate plus 12 feet	Phase 5	
Morrison Street at Brodiaea Avenue	I	Install traffic signal	Phase 5	
Morrison Street at Cactus Avenue	I	Install traffic signal	Phase 5	
Oliver Street at Cactus Avenue	I	Modify Traffic Signal	Phase 5	
Oliver Street at Cactus Avenue	SB	Widen Oliver to ultimate width (ROW) w/ signing & striping	Phase 5	
Oliver Street at Iris Avenue	I	Modify traffic signal	Phase 5	
Oliver Street at Iris Avenue	SB	Construct one right turn lane	Phase 5	
Iris Ave from Lasselle to Camino Flores		Modification of Iris Median (\$70 per LF)	Phase 5	
Iris Avenue		Coordination of traffic signals on Iris (\$3500 per intersection)	Phase 5	
Lasselle Street		Coordination of traffic signals on Lasselle (\$3500 per intersection)	Phase 5	
Lasselle Street at Cactus Avenue	I	Modify Traffic Signal	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	NB	Construct one FREE right-turn lane	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	EB	Re-stripe lane configuration	Phase 5	Or concurrent with City Project
Lasselle Street at Cactus Avenue	WB	Construct one additional left turn lane	Phase 5	Or concurrent with City Project

Location	Direction	Improvement	Phase	Footnotes
Lasselle Street at Brodiaaea Avenue	I	Install traffic signal	Phase 6	
Brodiaaea Ave from Lasselle to Morrison	EB / WB	Construct half ultimate plus 12 feet (include power poles)	Phase 6	
Cactus Avenue at Apartment Access	I	Construct raised median to restrict left-turn in/out movements from apartment access	Phase 6	
Lasselle Street at Apartment Access	I	Construct raised median to restrict left-turn out movement from apartment access	Phase 6	
Nason Street at Bay Avenue	I	Install traffic signal	Phase 6	
Nason Street at Bay Avenue	NB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 6	
Nason Street at Bay Avenue	SB	Widen westside/eastside Nason to ultimate width (ROW)	Phase 6	
Nason Street at Brodiaaea Avenue	I	Install traffic signal	Phase 6	
Moreno Beach Drive at Cactus Avenue	I	Modify traffic signal	Phase 6	
Moreno Beach Drive at Cactus Avenue	NB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at Cactus Avenue	SB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at Cactus Avenue	EB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at Cactus Avenue	WB	Re-stripe shared left-through turn lane	Phase 6	
Moreno Beach Drive at Cactus Avenue	WB	Construct one through lane	Phase 6	
Moreno Beach Drive at Cactus Avenue	WB	Construct one shared through-right turn lane.	Phase 6	
Moreno Beach Drive at John F. Kennedy Drive	I	Modify traffic signal	Phase 6	
Moreno Beach Drive at John F. Kennedy Drive	WB	Widening & re-striping & signing for additional left-turn lane	Phase 6	
Cactus Avenue		Coordination of traffic signals on Cactus (\$3500 per intersection)	Phase 6	

Location	Direction	Improvement	Phase	Footnotes		
Nason St at SR-60 WB Ramps / Elder Ave	I	Participate in interchange improvements through payment of TUMF program fees	All			
Nason St at SR-60 EB Ramps	I	Participate in interchange improvements through payment of TUMF program fees	All			

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END OF EXHIBIT "B"

**AFFIDAVIT OF POSTING
CITY OF MORENO VALLEY**

I, Alice Reed, City Clerk of the City of Moreno Valley, California, certify that on the 22nd day of December, 2005, I caused Ordinance No. 704 to be posted in the following places pursuant to City of Moreno Valley Resolution No. 2003-20:

Moreno Valley Senior/Community Center
25075 Fir Avenue

City Hall, City of Moreno Valley
14177 Frederick Street

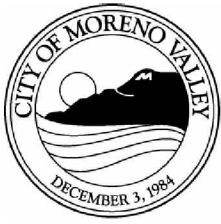
Moreno Valley Library
25480 Alessando Boulevard

Dated: January 3, 2006



Alice Reed, City Clerk

(SEAL)



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>WDS</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: PA07-0090 – ACCEPT THE AGREEMENT AND BONDS FOR THE PORTION OF PHASE 1 PUBLIC IMPROVEMENTS ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK

BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE,
AND REDLANDS BOULEVARD AND THEODORE STREET

DEVELOPER: HF LOGISTICS – SKX T1, LLC
14425 CORPORATE WAY
MORENO VALLEY, CA 92553

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Accept the Agreement and Bonds for the Portion of Phase 1 Public Improvements associated with the Highland Fairview Logistics Corporate Park.
2. Authorize the Mayor to execute the Agreement in the form attached hereto.
3. Authorize the City Attorney to execute the Bonds in the form attached hereto.
4. Direct the City Clerk to forward the signed Agreement and Bonds to the County Recorder's Office for recordation.
5. Authorize the Public Works Director/City Engineer to execute any future time extensions and amendments to the agreement, subject to City Attorney approval, if the required Phase 1 public improvements are not completed within said timeframe.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

BACKGROUND

On January 15, 2009, the Planning Commission of the City of Moreno Valley denied Tentative Parcel Map 35629.

On February 10, 2009, the City Council of the City of Moreno Valley approved Master Plot Plan No. PA07-0090 and Tentative Parcel Map 35629 and accepted phase-specific Conditions of Approval. The tentative parcel map is a proposal to subdivide the 158-acre site into four parcels, one for establishment of a logistics warehouse development and three for future development. The master plot plan provides for establishment of a business park development consisting of four buildings, internal circulation, parking and various site amenities. The Conditions of Approval for Tract Map 35629 require that the developer provide surety for the required public improvements.

DISCUSSION

The Conditions of Approval for this project require that the developer provide surety for the required public improvements. The developer has requested to enter into a Public Improvement Agreement for Phase 1 and provide the City with bond documents for all improvements. Separately, the developer requested to enter into a Public Improvement Agreement for combined Phases 2 and 3 and provide the City with a real property Deed of Trust having a valuation equal to or greater than 2.5 times the estimated value of all remaining public improvements.

The developer has completed and submitted a Public Improvement Agreement and bond securities for the Phase 1 public improvements. The developer has provided City staff with a separate bond for each of the nine tasks noted within the agreement and agrees to perform and complete all of the required public improvements within twenty-four (24) months of the date the agreement is executed. The Public Works Director/City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe. The public improvements are between Redlands Boulevard, Theodore Street, State Route 60 and Eucalyptus Avenue, and include but are not limited to: asphalt concrete, curb, gutter, sidewalk, driveway approaches, wheelchair ramp, signage, traffic signal and traffic signal modifications, bus turnout, street lights, water quality basins, storm drain, water, and sewer.

Accompanying the agreement are Faithful Performance Bonds and Material & Labor Bonds in the amounts noted below for each of the following tasks, issued by Safeco Insurance Company of America:

- Eucalyptus Avenue – Phase 1 Street Improvements - \$2,778,000 and \$1,389,000
- Theodore Street – Phase I Street Improvements - \$821,000 and \$410,500

- Eucalyptus Avenue – Phase 1 Sewer Improvements - \$467,000 and \$233,500
- Eucalyptus Avenue – Phase 1 Water Improvements - \$1,050,000 and \$525,000
- Eucalyptus Avenue – Phase 1 Recycled Water Improvements - \$434,000 and \$217,000
- Parcel Map 35629 – Sinclair Off-site Water Improvements - \$725,000 and \$362,500
- Redlands Boulevard – Phase 1 Water Improvements - \$171,000 and \$85,500
- Parcel Map 35629 – Monumentation - \$42,000 and \$21,000
- Eucalyptus Avenue – Phase 1 Electrical Improvements - \$849,000 and \$424,500

Given the present economy as well as the size and uniqueness of the project, allowing the use of multiple securities and multiple partial reductions seems appropriate.

ALTERNATIVES

Not applicable.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

EXHIBITS

- Exhibit "A-1" - Vicinity Map for Limits of Eucalyptus Avenue Phase 1 Street Work
- Exhibit "A-2" - Vicinity Map for Limits of Theodore Street Phase I Street Work
- Exhibit "A-3" - Vicinity Map for Limits of Eucalyptus Avenue Phase 1 Sewer Work
- Exhibit "A-4" - Vicinity Map for Limits of Eucalyptus Avenue Phase 1 Water Work
- Exhibit "A-5" - Vicinity Map for Limits of Eucalyptus Avenue Phase 1 Recycled Water Work
- Exhibit "A-6" - Vicinity Map for Limits of Sinclair Off-site Water Work
- Exhibit "A-7" - Vicinity Map for Limits of Redlands Boulevard Phase 1 Water Work
- Exhibit "A-8" – (This Page Intentionally Left Blank)
- Exhibit "A-9" - Vicinity Map for Limits of Eucalyptus Avenue Phase 1 Electrical Work
- Exhibit "B" - Agreement for Public Improvements

Exhibit "C" - Faithful Performance Bond for Eucalyptus Avenue Phase 1 Street Improvements

- Exhibit "D" - Material and Labor Bond for Eucalyptus Avenue Phase 1 Street Improvements
- Exhibit "E" - Faithful Performance Bond for Theodore Street Phase I Street Improvements
- Exhibit "F" - Material and Labor Bond for Theodore Street Phase I Street Improvements
- Exhibit "G" - Faithful Performance Bond for Eucalyptus Avenue Phase 1 Sewer Improvements
- Exhibit "H" - Material and Labor Bond Eucalyptus Avenue Phase 1 Sewer Improvements
- Exhibit "I" - Faithful Performance Bond for Eucalyptus Avenue Phase 1 Water Improvements
- Exhibit "J" - Material and Labor Bond for Eucalyptus Avenue Phase 1 Water Improvements
- Exhibit "K" - Faithful Performance Bond for Eucalyptus Avenue Phase 1 Recycled Water Improvements
- Exhibit "L" - Material and Labor Bond for Eucalyptus Avenue Phase 1 Recycled Water Improvements
- Exhibit "M" - Faithful Performance Bond for Parcel Map 35629 Sinclair Off-site Water Improvements
- Exhibit "N" - Material and Labor Bond for Parcel Map 35629 Sinclair Off-site Water Improvements
- Exhibit "O" - Faithful Performance Bond for Redlands Boulevard Phase 1 Water Improvements
- Exhibit "P" - Material and Labor Bond Redlands Boulevard Phase 1 Water Improvements
- Exhibit "Q" - Faithful Performance Bond for Parcel Map 35629 Monumentation
- Exhibit "R" - Material and Labor Bond for Parcel Map 35629 Monumentation
- Exhibit "S" - Faithful Performance Bond for Eucalyptus Avenue Phase 1 Electrical Improvements
- Exhibit "T" - Material and Labor Bond for Eucalyptus Avenue Phase 1 Electrical Improvements

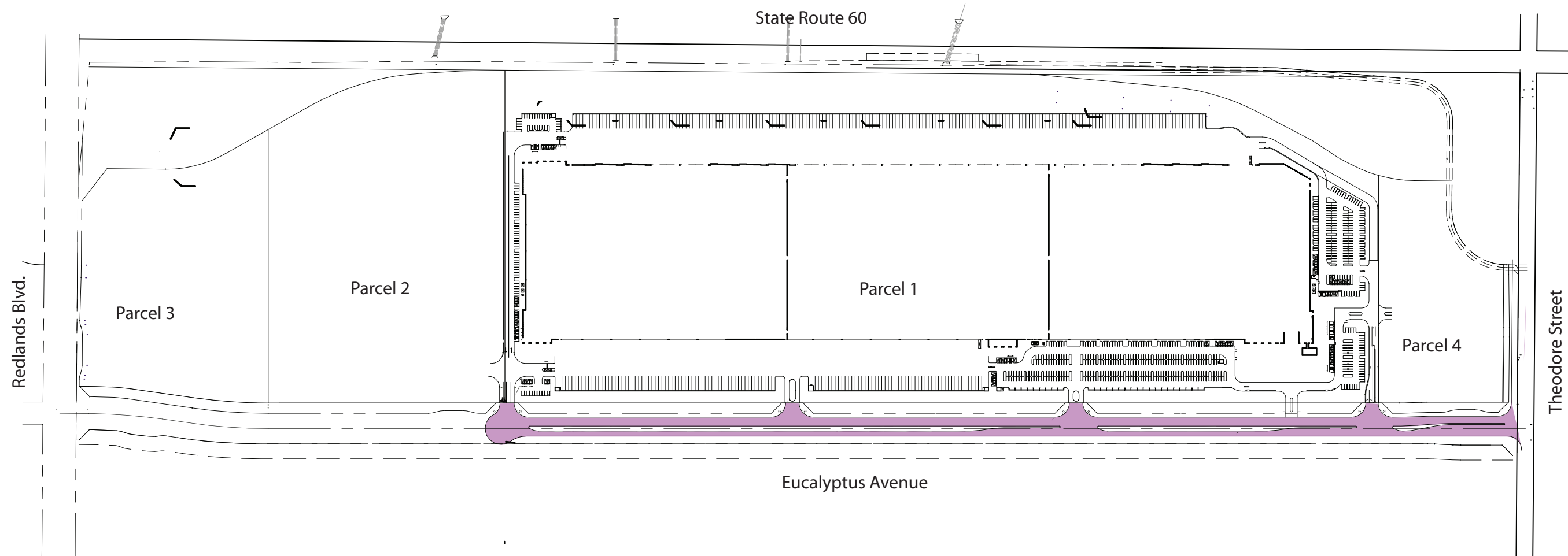
Prepared By
Mark W. Sambito, P.E.
Engineering Division Manager

Department Head Approval
Chris A. Vogt, P.E.
Public Works Director/City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

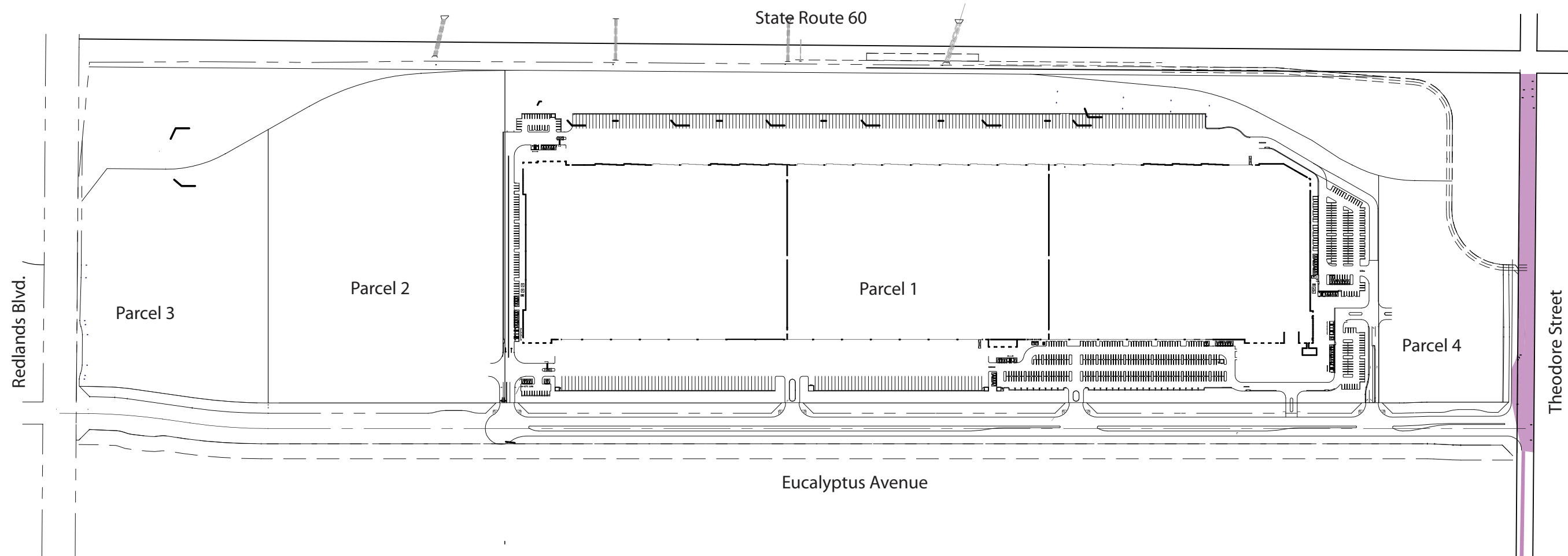
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HFCP-Eucalyptus Phase 1 Street Improvements

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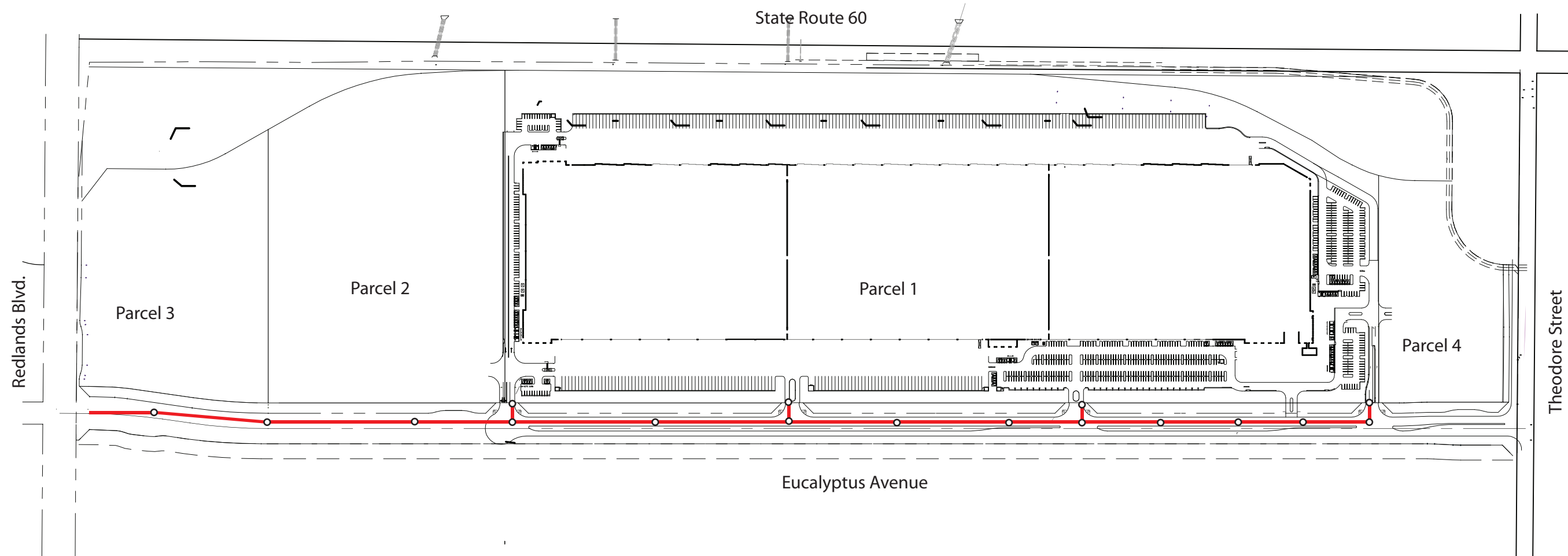


HFCP-Theodore Phase 1 Street Improvements

-229-

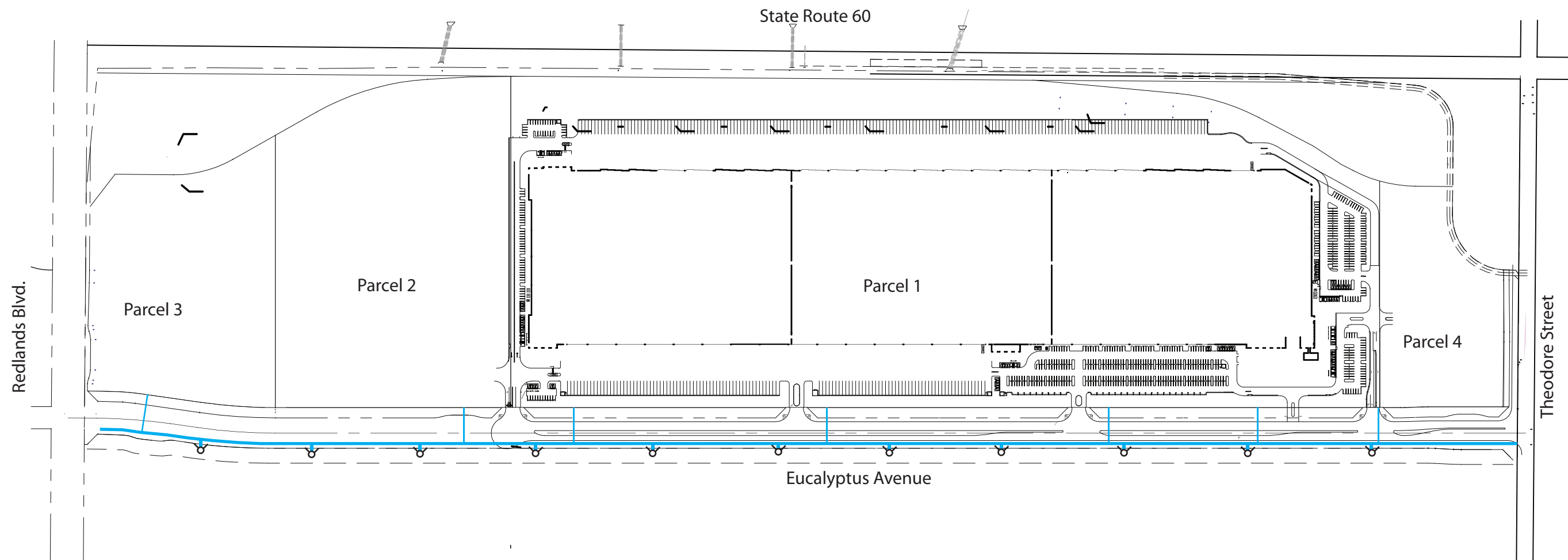
Item No. A.13

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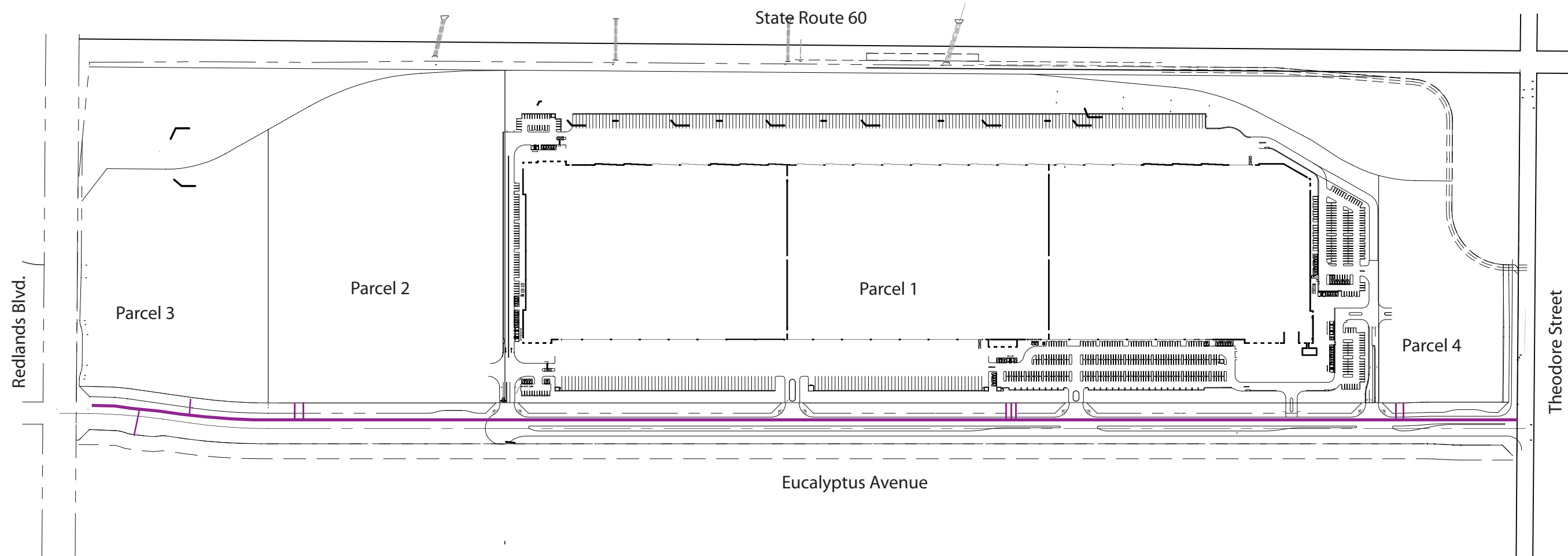
HFCP-Eucalyptus Sewer Phase 1 Improvements

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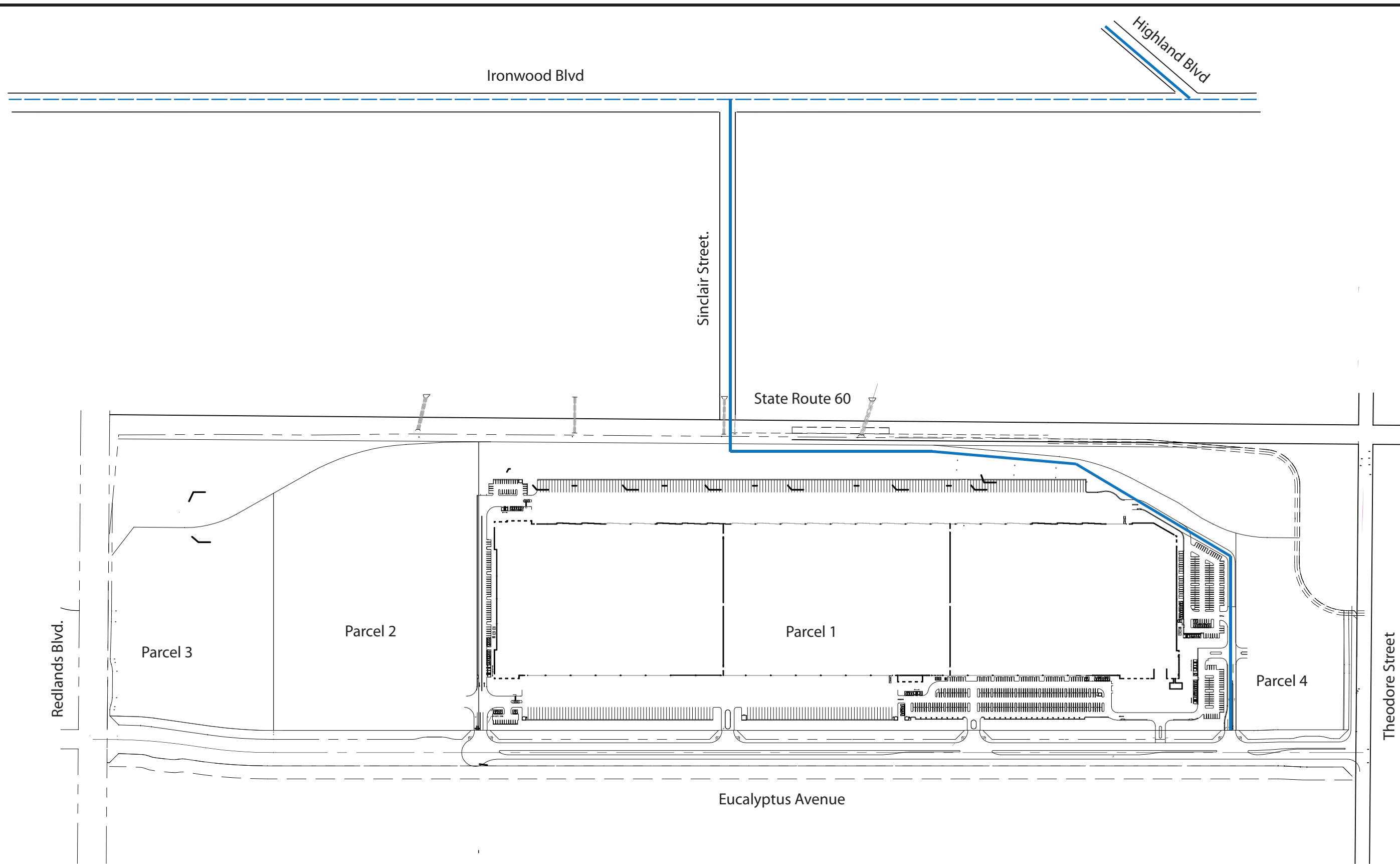
HFCEP-Eucalyptus Water Phase 1 Improvements

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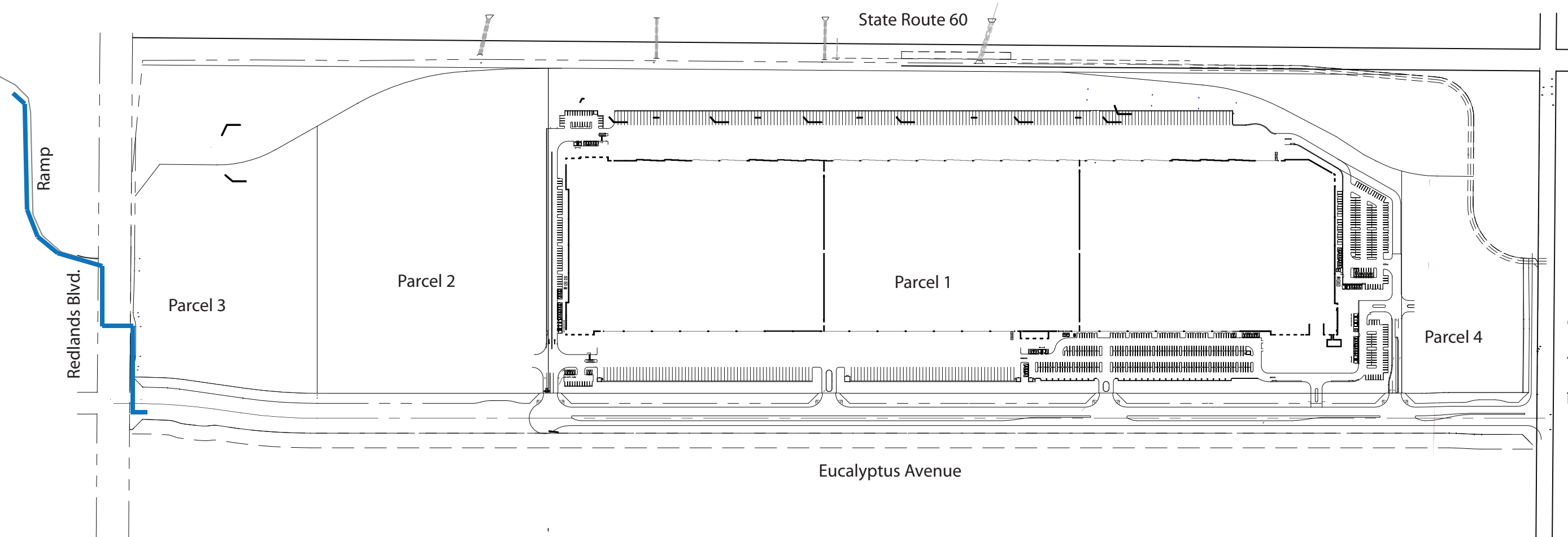
HFCP-Eucalyptus Recycled Water Phase 1 Improvements

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HFCP - Off-site Water (Sinclair) Improvements

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HFCP - Off-site Water (Redlands) Improvements

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No Exhibit for Parcel Map Monumentation

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CITY OF MORENO VALLEY
PUBLIC WORKS - LAND DEVELOPMENT
Exhibit "A-8"

PA07-0090
Vicinity Map

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Redlands Boulevard

Theodore Street

Phase III

Phase II

Phase I

Phase II

Eucalyptus Avenue

EXHIBIT "B-9"
-243-

Item No. A.13

Redlands - Backbone Electrical
per separate agreement

HFCP - Eucalyptus - Backbone Electrical

Legend:

Electrical Conduit

Electrical Vault

Electrical Transformer/Switch

aea Ave

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RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

No recording fee per Government Code, Section 6103

This space for Recorder's use only.

**AGREEMENT FOR A PORTION OF PHASE 1 PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA07-0090 (TENTATIVE PARCEL MAP 35629)**

This Agreement, made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and HF Logistics-SKX T1, LLC herein after called Developer, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, known as **PA07-0090 (Tentative Parcel Map 35629)** agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within TWENTY-FOUR (24) months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for the portion of Phase 1 as listed below which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code.

Security to guarantee the performance of this agreement shall be in the following amounts:

Eucalyptus Avenue – Phase 1 Street Improvement Plans (A-1)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-1 and location map labeled Exhibit B-1 attached hereto, is the sum of TWO MILLION SEVEN HUNDRED SEVENTY-EIGHT THOUSAND AND NO/100 Dollars (**\$2,778,000.00 **).

Theodore Street – Phase I Street Improvement Plans (A-2)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-2 and location map labeled Exhibit B-2 attached hereto, is the sum of EIGHT HUNDRED TWENTY-ONE THOUSAND AND NO/100 Dollars (**\$821,000.00 **).

Eucalyptus Avenue – Phase 1 Off-site Sewer Improvement Plans (A-3)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-3 and location map labeled Exhibit B-3 attached hereto, is the sum of FOUR HUNDRED SIXTY-SEVEN THOUSAND AND NO/100 Dollars (**\$467,000.00 **).

Eucalyptus Avenue – Phase 1 Off-site Water Improvement Plans (A-4)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-4 and location map labeled Exhibit B-4 attached hereto, is the sum of ONE MILLION FIFTY THOUSAND AND NO/100 Dollars (**\$1,050,000.00 **).

Eucalyptus Avenue – Phase 1 Off-site Recycled Water Improvement Plans (A-5)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-5 and location map labeled Exhibit B-5 attached hereto, is the sum of FOUR HUNDRED THIRTY-FOUR THOUSAND AND NO/100 Dollars (**\$434,000.00 **).

Exhibit "B"

Parcel Map 35629 – Sinclair Off-site Water Improvement Plans (A-6)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-6 and location map labeled Exhibit B-6 attached hereto, is the sum of SEVEN HUNDRED TWENTY-FIVE THOUSAND AND NO/100 Dollars (***\$725,000.00**).

Redlands Boulevard – Phase 1 Water Improvement Plans (A-7)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-7 and location map labeled Exhibit B-7 attached hereto, is the sum of ONE HUNDRED SEVENTY-ONE THOUSAND AND NO/100 Dollars (***\$171,000.00**).

Parcel Map 35629 – Monumentation (A-8)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-8 attached hereto, is the sum of FORTY TWO THOUSAND AND NO/100 Dollars (***\$42,000.00**).

Eucalyptus Avenue – Phase 1 Electrical Improvement (A-9)

The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A-9 attached hereto, is the sum of EIGHT HUNDRED FORTY-NINE THOUSAND AND NO/100 Dollars (***\$849,000.00**).

SECOND: Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any security guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

THIRD: City shall not, nor shall any officer or employee of City, except for its or their sole negligence, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this Agreement prior to the completion and approval thereof, nor shall City or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Developer, his agents or employees, in the performance of the work, and all of said liabilities are assumed by Developer. Developer agrees to protect, defend and hold harmless City and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Developer, his agents and employees, in the performance of this Agreement, or arising out of the use of any patent or patented article in the performance of this Agreement.

FOURTH: The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the Improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

FIFTH: Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the Improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the bonds securing performance of this Agreement.

SIXTH: The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

SEVENTH: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work for Improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Developer agrees to renew each and every said bond or bond(s) with good and sufficient sureties or increase the amounts of said bond or bond(s), or both, within ten (10) days after being notified by the City Engineer that the amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is necessary to comply with said notice, he shall be in default of this Agreement unless all required Improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developer of the insufficiency of said bonds. Developer reserves the right to

substitute the form of security, in accordance with the Moreno Valley Municipal Code, at anytime during the term of this agreement, subject to approval of the City Engineer and City Attorney. As this project is very unique in both the size and the timing of construction activities, as well as being considered eligible for Time and Material (T&M) fee collection, it has been determined by the City Engineer that the project may receive incremental reductions to each of the securities ensuring the construction of the associated public improvements. At twenty percent (20%) completion, forty percent (40%) completion, sixty percent (60%) completion and eighty percent (80%) completion of the public improvements as measured by the dollar value of said improvements as set forth in the Engineer's Preliminary Estimate of Cost and associated unit costs (Exhibits A-1 through A-8) and upon written request by the Developer for a partial reduction of the security, the bonding company shall be instructed by the City Engineer in writing to reduce an amount in the bond not to exceed twenty percent (20 %) increments of the original amount established for the bond, provided that all such work has been reviewed, verified, inspected and approved by the City Engineer, Land Development engineering staff and applicable City inspectors. The remaining percentage of the bond securing the estimated cost of labor and materials shall be released to the Developer no sooner than 90 days after acceptance of the improvements by the City. After one hundred percent (100%) completion of the public improvements and formal acceptance of the improvements by the City Council, ten percent (10%) of the original bond amount for the faithful performance shall be retained until expiration of the twelve (12) month warranty period pursuant to Government Code Section 66499 to secure required warranty work.

EIGHTH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of the Developer because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

NINTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the security or securities. Developer further agrees to maintain the aforesaid securities in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

ELEVENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:
City Engineer
P.O. Box 88005
14177 Frederick
Moreno Valley, CA 92552-0805

Developer:
HF LOGISTICS-SKX T1, LLC,
14225 Corporate Way
Moreno Valley, California 92553

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

HF LOGISTICS-SKX/T1, LLC:

Developer

BY: *Ido Benzevi*

Signature

BY: _____

Signature

Ido Benzevi

Print/Type Name

Print/Type Name

President + CEO

Title

Title

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

CITY OF MORENO VALLEY

By: _____

City Clerk

By: _____

Mayor

(SEAL)

APPROVED AS TO FORM:
CITY ATTORNEY

Date: _____

By: _____

City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATES OTHERWISE.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
 County of Riverside }
 On 8.2.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer
 personally appeared Iddo Benzeevi
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: AGRMNT - PORTION OF PH. I PUBLIC IMPRV.

Document Date: NONE AT THIS TIME Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: IDDO BENZEEVI Signer's Name: _____

Corporate Officer — Title(s): PRES. & CEO Corporate Officer — Title(s): _____

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



Signer Is Representing: _____

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



Signer Is Representing: _____

8/2/10
UBG

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans
PA07-0090

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC PAVEMENT SECTIONS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	1	Thickness (ft.)		
	268225	S.F.	19446 Ton	33.00
A.C. - Street 1	0.5	Thickness (ft.)		
	268225	S.F.	9723 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
			SUBTOTAL:	1,419,558

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 2 of 8

8/2/10
VBC

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans
PUBLIC STREET WORK

DATE: 07/30/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
Pavement				
Grind & Pave 0.15'	75	S.F.	3.25	244
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	75	L.F.	3.00	225
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Adjust M.H. to Grade	14	EA.	800.00	11,200
Adjust Water Valve to Grade	0	EA.	500.00	0
Remove & Dispose Existing Pavement & Base	0	SF	28.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
Concrete				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	3490	L.F.	30.00	104,700
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	5117	L.F.	25.00	127,925
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	534	L.F.	12.00	6,408
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	22023	S.F.	4.25	93,598
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	1080	S.F.	6.50	7,020
Driveway Approach - 8"	782	S.F.	10.50	8,211
Wheelchair Ramp	8	EA.	2,600.00	20,800
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
Emergency Vehicle Median Access	0	S.F.	11.00	0
10' Recreational Trail	0	S.F.	2.50	0
			SUBTOTAL	380,331
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect	3247	L.F.	30.00	97,410
Traffic Striping/raised pavement markers	1	L.S.	--	28,396
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	1	EA.	500.00	500
Stop Sign	1	EA.	200.00	200
Signs and Posts	27	EA.	200.00	5,400
Signs and Posts (DIF Street -)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	0	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
Standard Pipe Gate	3	EA.	3,000.00	9,000
			SUBTOTAL:	140,906
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL:	0

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

8/2/10
VBC

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	33623	S.F.	6.00	202,938
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	24	EA.	6,000.00	144,000
	SPECIAL DISTRICTS SUBTOTAL:			346,938
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
	MVU SUBTOTAL:			0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
	WQB SUBTOTAL:			0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordinatio	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
	TRANSPORTATION SUBTOTAL:			0

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

8/2/10
VBC

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	134	L.F.	30.00	4,020
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	7	EA.	535.00	3,745
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	5	EA.	2100.00	10,500
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0
12"x12" Grate Basin	5	EA.	1800.00	9,000

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 5 of 8

8/2/10
VBC

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans

DATE: 07/30/10

PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	27,265

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 6 of 8

8/2/10
VBC

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	0	L.F.	55.00	0
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	0	EA.	2,300.00	0
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w 5/8" meter	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	0	EA.	1,600.00	0
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
Adjust Water Meter Box	0		235.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	150.00	0
	0		0.00	0
			SUBTOTAL:	0

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

8/2/10
VBC

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	20.00	0
6" V.C. Pipe	0	L.F.	25.00	0
8" V.C. Pipe	0	L.F.	30.00	0
10" V.C. Pipe	0	L.F.	40.00	0
12" V.C. Pipe	0	L.F.	50.00	0
15" V.C. Pipe	0	L.F.	75.00	0
18" V.C. Pipe	0	L.F.	90.00	0
21" V.C. Pipe	0	L.F.	105.00	0
24" V.C. Pipe	0	L.F.	120.00	0
27" V.C. Pipe	0	L.F.	135.00	0
30" V.C. Pipe	0	L.F.	150.00	0
33" V.C. Pipe	0	L.F.	165.00	0
36" V.C. Pipe	0	L.F.	185.00	0
4" SDR - 35	0	L.F.	13.00	0
6" SDR - 35	0	L.F.	19.00	0
8" SDR - 35	0	L.F.	25.00	0
10" SDR - 35	0	L.F.	30.00	0
12" SDR - 35	0	L.F.	50.00	0
15" SDR - 35	0	L.F.	60.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechannel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

EXHIBIT "A-1"
ENGINEER'S ESTIMATE

Sheet 8 of 8

8/2/10
VBC

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: Eucalyptus Avenue - Phase I Street Improvement Plans DATE: 07/30/10
PREPARED BY: Patrick Revere

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$1,419,558
OFFSITE STREET WORK	:	\$380,331
SPECIAL DISTRICTS	:	\$346,938
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$27,265
WATER SYSTEM	:	\$0
SEWER SYSTEM	:	\$0
TRAFFIC IMPROVEMENTS	:	\$140,906
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$2,314,998
+20% CONTINGENCY:		\$463,000
GRAND TOTAL:		\$2,777,997

BOND AMOUNT: \$2,778,000



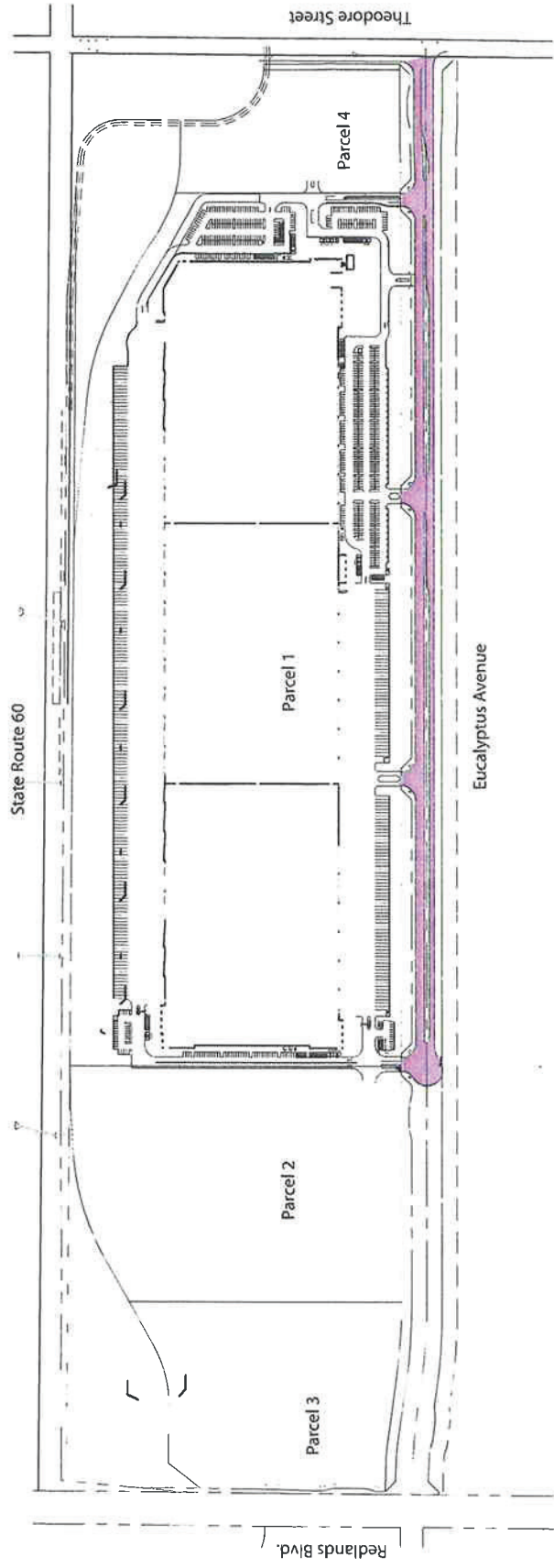


EXHIBIT "B-1"

HFCP-Eucalyptus Phase 1 Street Improvements

Exhibit "A-2"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: Theodore Avenue - Phase I Street Improvement Plans
PUBLIC PAVEMENT SECTIONS

DATE: 07/29/10
PREPARED BY: Patrick Revere



TYPE			QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF						
Roadway Excavation			1064	C.Y.	29.00	30,856
A.B. Class II - Street 1	0.65	Thickness (ft.)				
	44222	S.F.	2083	Ton	33.00	68,739
A.C. - Street 1	0.5	Thickness (ft.)				
	76026	S.F.	2755	Ton	80.00	220,400
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Street Work - DIF						
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 1	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Street Work - TUMF						
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 1	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)				
	0	S.F.	0	Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)				
	0	S.F.	0	Ton	80.00	0
					SUBTOTAL:	319,995

Exhibit "A-2"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: Theodore Avenue - Phase I Street Improvement Plans
PUBLIC STREET WORK

DATE: 07/29/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
Pavement				
Grind & Pave 0.10'	1006	S.F.	3.00	3,018
Grind & Pave 0.20'	0	S.F.	3.50	0
Cold Mill Existing Pavement (.35')	51700	SF	1.25	64,625
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	1743	S.Y.	2.25	3,922
Paving Fabric	0	S.Y.	1.20	0
Sawcut	1006	L.F.	3.00	3,018
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	500.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
Concrete				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	3087	L.F.	12.00	37,044
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	0	S.F.	4.25	0
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	0	EA.	2,600.00	0
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Relocate Power Poles	1	EA.	30,000.00	30,000
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Erosion Control	3	AC	5,000.00	15,000
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	420	L.F.	150.00	63,000
				0
			SUBTOTAL	219,627
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect	0	L.F.	30.00	0
Traffic Striping/raised pavement markers	1	L.S.	--	5,922
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	1	EA.	500.00	500
Stop Sign	0	EA.	200.00	0
Signs and Posts	4	EA.	200.00	800
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	10000	L.S.	1	10,000
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	1370	L.F.	90.00	123,300
			SUBTOTAL:	140,522
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL:	0

Exhibit "A-2"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: Theodore Avenue - Phase I Street Improvement Plans

DATE: 07/29/10
PREPARED BY: Patrick Revere

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	0	EA.	6,000.00	0
	SPECIAL DISTRICTS SUBTOTAL:			0
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
	MVU SUBTOTAL:			0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA	0	0
Outlets	0	EA	0	0
Risers	0	EA	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
	WQB SUBTOTAL:			0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordinatio	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
	TRANSPORTATION SUBTOTAL:			0

Exhibit "A-2"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Theodore Avenue - Phase I Street Improvement Plans

DATE: 07/29/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

Exhibit "A-2"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: Theodore Avenue - Phase I Street Improvement

DATE: 07/29/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
Overside Drain	4	EA.	1000.00	4,000
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	4,000

Exhibit "A-2"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: Theodore Avenue - Phase I Street Improvement Plans

DATE: 07/29/10
PREPARED BY: Patrick Revere

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	0	L.F.	55.00	0
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	0	EA.	2,300.00	0
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w 5/8" meter	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	0	EA.	1,600.00	0
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
Adjust Water Meter Box	0		235.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	150.00	0
	0		0.00	0
			SUBTOTAL:	0

Exhibit "A-2"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Theodore Avenue - Phase I Street Improvement Plans

DATE: 07/29/10
PREPARED BY: Patrick Revere

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	20.00	0
6" V.C. Pipe	0	L.F.	25.00	0
8" V.C. Pipe	0	L.F.	30.00	0
10" V.C. Pipe	0	L.F.	40.00	0
12" V.C. Pipe	0	L.F.	50.00	0
15" V.C. Pipe	0	L.F.	75.00	0
18" V.C. Pipe	0	L.F.	90.00	0
21" V.C. Pipe	0	L.F.	105.00	0
24" V.C. Pipe	0	L.F.	120.00	0
27" V.C. Pipe	0	L.F.	135.00	0
30" V.C. Pipe	0	L.F.	150.00	0
33" V.C. Pipe	0	L.F.	165.00	0
36" V.C. Pipe	0	L.F.	185.00	0
4" SDR - 35	0	L.F.	13.00	0
6" SDR - 35	0	L.F.	19.00	0
8" SDR - 35	0	L.F.	25.00	0
10" SDR - 35	0	L.F.	30.00	0
12" SDR - 35	0	L.F.	50.00	0
15" SDR - 35	0	L.F.	60.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie into Existing Manhole	0	EA.	2,100.00	0
Rechannel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: Theodore Avenue - Phase I Street Improvement Plans DATE: 07/29/10
PREPARED BY: Patrick Revere

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$319,995
OFFSITE STREET WORK	:	\$219,627
SPECIAL DISTRICTS	:	\$0
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$4,000
WATER SYSTEM	:	\$0
SEWER SYSTEM	:	\$0
TRAFFIC IMPROVEMENTS	:	\$140,522
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$684,143
+20% CONTINGENCY:		\$136,829
GRAND TOTAL:		\$820,972

BOND AMOUNT: **\$821,000**



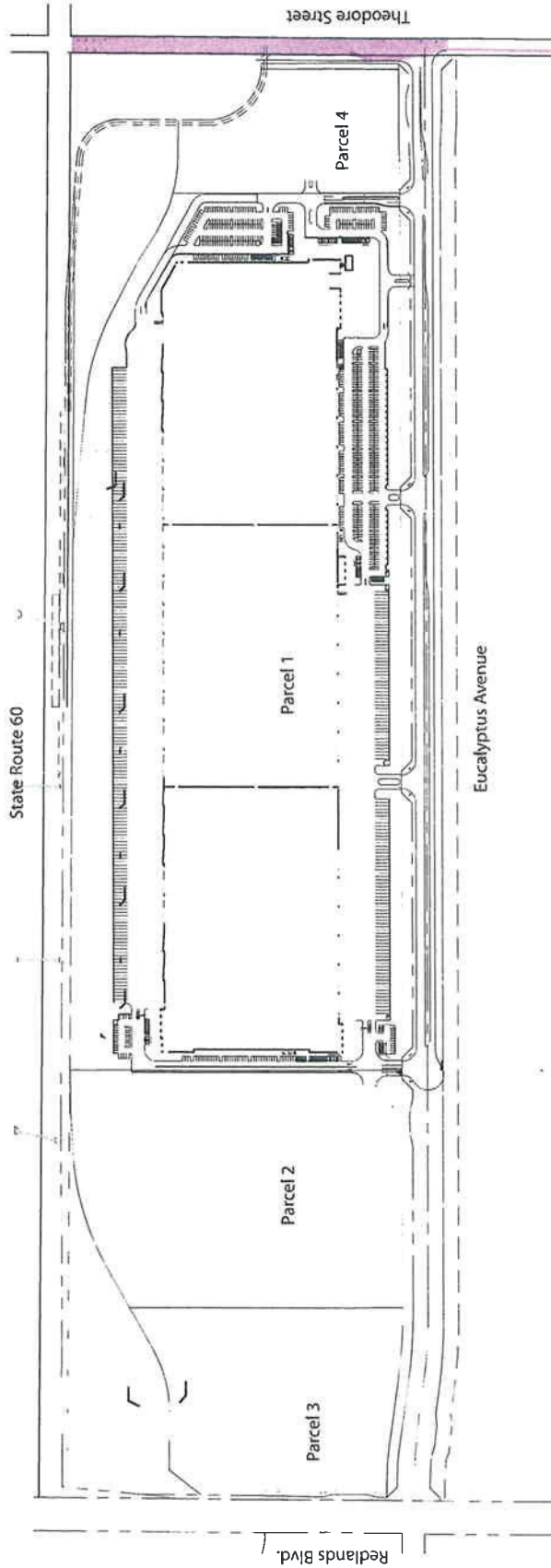


EXHIBIT "B-2"

HFCP-Theodore Phase 1 Street Improvements

**EXHIBIT "A-3"
ENGINEER'S ESTIMATE**

Sheet 1 of 8

**PROJECT: Eucalyptus Avenue - Offsite Sewer Improvement Plans
PUBLIC PAVEMENT SECTIONS**

**DATE: 07/30/10
PREPARED BY: Patrick Revere**

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
		S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
			SUBTOTAL:	0

EXHIBIT "A-3"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: Eucalyptus Avenue - Offsite Sewer Improvement Plans
PUBLIC STREET WORK

DATE: 07/30/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
<i>Pavement</i>				
Grind & Pave 0.15'	0	S.F.	3.25	0
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	0	L.F.	3.00	0
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	500.00	0
Remove & Dispose Existing Pavement & Base	0	SF	28.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
<i>Concrete</i>				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	0	S.F.	4.25	0
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	0	EA.	2,600.00	0
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
<i>Miscellaneous</i>				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
				0
			SUBTOTAL	0
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect	0	L.F.	30.00	0
Traffic Striping/raised pavement markers	0	L.S.	--	0
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	0	EA.	200.00	0
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	0	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL:	0
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL:	0

EXHIBIT "A-3"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: Eucalyptus Avenue - Offsite Sewer Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	0	EA.	6,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				0
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordinator)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

EXHIBIT "A-3"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Eucalyptus Avenue - Offsite Sewer Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A-3"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: Eucalyptus Avenue - Offsite Sewer Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	0

EXHIBIT "A-3"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: Eucalyptus Avenue - Offsite Sewer Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	0	L.F.	55.00	0
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	0	EA.	2,300.00	0
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w 5/8" meter	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	0	EA.	1,600.00	0
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
Adjust Water Meter Box	0		235.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	150.00	0
	0		0.00	0
			SUBTOTAL:	0

EXHIBIT "A-3"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Eucalyptus Avenue - Offsite Sewer Improvement Plans

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	25.00	0
6" V.C. Pipe	156	L.F.	40.00	6,240
8" V.C. Pipe	635	L.F.	55.00	34,925
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	2424	L.F.	70.00	169,680
15" V.C. Pipe	1516	L.F.	80.00	121,280
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	0	L.F.	35.00	0
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	2	EA.	730.00	1,460
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	4	EA.	3,140.00	12,560
Standard Manhole 48" Extra Depth	10	EA.	3,500.00	35,000
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechannel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	1	EA.	2,000.00	2,000
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	4731	L.F.	1.20	5,677
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	388,822

EXHIBIT "A-3"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: **Eucalyptus Avenue - Offsite Sewer Improvement Plans** DATE: **07/30/10**
PREPARED BY: **Patrick Revere**

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$0
OFFSITE STREET WORK	:	\$0
SPECIAL DISTRICTS	:	\$0
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$0
WATER SYSTEM	:	\$0
SEWER SYSTEM	:	\$388,822
TRAFFIC IMPROVEMENTS	:	\$0
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$388,822
+20% CONTINGENCY:		\$77,764
<u>GRAND TOTAL:</u>		\$466,587

BOND AMOUNT: **\$467,000**



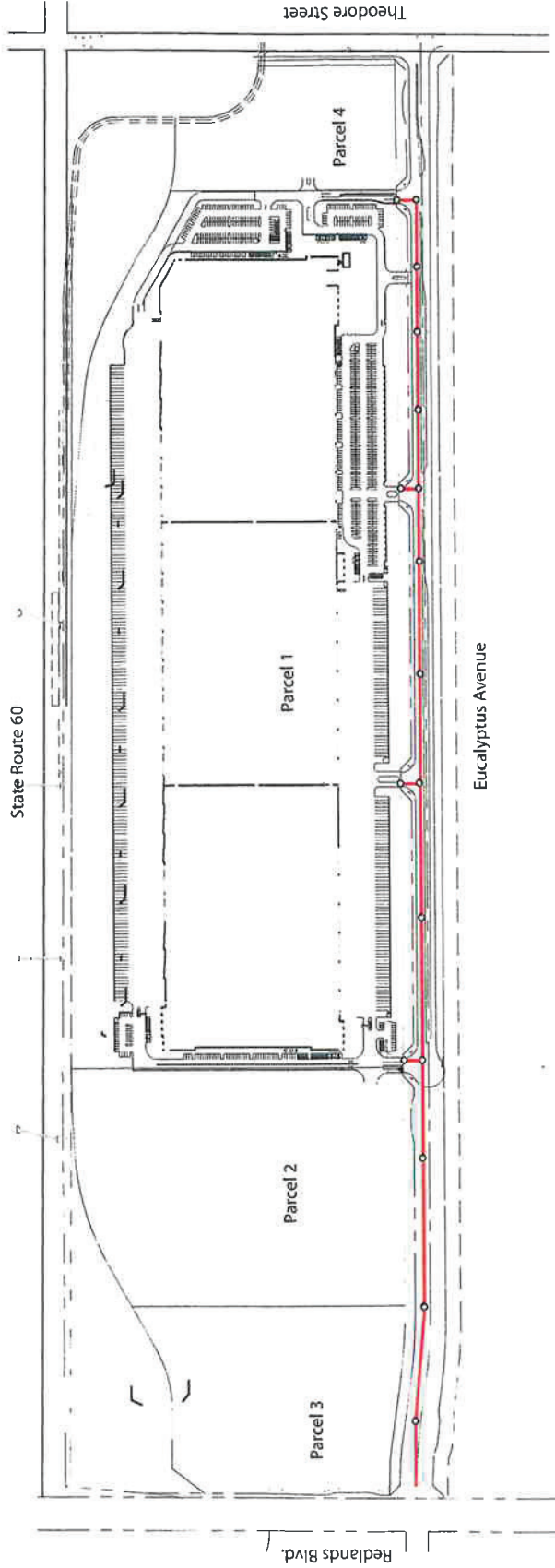


EXHIBIT "B-3"

HFCP-Eucalyptus Sewer Phase 1 Improvements

EXHIBIT "A-4"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: Eucalyptus Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC PAVEMENT SECTIONS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL	
Street Work - Non DIF Non TUMF					
Roadway Excavation					
A.B. Class II - Street 1	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 1	0	Thickness (ft.)	0 Ton	80.00	0
	0	S.F.	0 C.Y.	29.00	0
Roadway Excavation					
A.B. Class II - Street 2	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
A.C. - Street 2	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 3	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 4	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Street Work - DIF					
Roadway Excavation					
A.B. Class II - Street 1	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 1	0	Thickness (ft.)	0 Ton	80.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 2	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 3	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 4	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Street Work - TUMF					
Roadway Excavation					
A.B. Class II - Street 1	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 1	0	Thickness (ft.)	0 Ton	80.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 2	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 3	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
Roadway Excavation					
A.B. Class II - Street 4	0	Thickness (ft.)	0 C.Y.	29.00	0
	0	S.F.	0 Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)	0 Ton	33.00	0
	0	S.F.	0 Ton	80.00	0
			SUBTOTAL:		0

EXHIBIT "A-4"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: Eucalyptus Water Improvements
PUBLIC STREET WORK

DATE: 07/30/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
<i>Pavement</i>				
Grind & Pave 0.15'				
A.C. Cap/Overlay	0	S.F.	3.25	0
Slurry Seal (Based on \$150/Ton Type II)	0	Ton	80.00	0
Paving Fabric	0	S.Y.	2.25	0
Sawcut	0	S.Y.	1.20	0
Utility Trench	0	L.F.	3.00	0
Trench Repaving	0	L.F.	17.00	0
Redwood Header	0	S.F.	12.00	0
Curb Only - 6"	0	L.F.	6.00	0
Curb Only - 8"	0	L.F.	20.00	0
Adjust M.H. to Grade	0	L.F.	25.00	0
Adjust Water Valve to Grade	0	EA.	800.00	0
Remove & Dispose Existing Pavement & Base	0	EA.	500.00	0
Remove Existing Curb & Gutter	0	SF	28.00	0
	0	L.F.	12.00	0
<i>Concrete</i>				
P.C.C. Paving - 6"				
P.C.C. Paving - 8"	0	S.F.	6.50	0
Curb and Gutter - 6"	0	S.F.	10.50	0
Curb and Gutter - 8"	0	L.F.	25.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	30.00	0
Curb Only - 8"	0	L.F.	20.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	25.00	0
A.C. Curb 8"	0	L.F.	12.00	0
Cross Gutter and Spandrel	0	L.F.	15.00	0
Sidewalk	0	S.F.	10.25	0
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	4.25	0
Driveway Approach - 6"	0	S.F.	14.00	0
Driveway Approach - 8"	0	S.F.	6.50	0
Wheelchair Ramp	0	S.F.	10.50	0
Alley Approach - 8"	0	EA.	2,600.00	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	S.F.	10.25	0
Bus Bay	0	L.F.	100.00	0
	0	EA.	15,000.00	0
<i>Miscellaneous</i>				
Relocate Power Poles				
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	30,000.00	0
Erosion Control	0	EA.	4,500.00	0
Walls - Masonry: 6' Maximum	0	AC	5,000.00	0
Walls - Retaining: 6' Maximum	0	L.F.	100.00	0
	0	L.F.	150.00	0
				0
			SUBTOTAL	0
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)				
Traffic Signal Modification	0	EA.	272,000.00	0
Traffic Signal Interconnect	0	L.S.	0	0
Traffic Striping/raised pavement markers	0	L.F.	30.00	0
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	0	L.S.	--	0
Stop Sign	0	EA.	500.00	0
Signs and Posts	0	EA.	200.00	0
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	200.00	0
Traffic Control	0	EA.	100.00	0
Traffic Control (DIF Street Name)	0	L.S.	0	0
Traffic Signal PB-Adjust to Grade	0	L.S.	10000	0
Metal Guard Rail	0	EA.	800.00	0
	0	L.F.	90.00	0
			SUBTOTAL:	0
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities				
Cluster Mail Boxes	0	L.F.	196.00	0
Relocate Mailbox	0	EA.	4,500.00	0
Relocate Cluster Mailbox	0	EA.	350.00	0
Monuments	0	EA.	1,200.00	0
Relocate Trees	0	EA.	300.00	0
	0	EA.	2,500.00	0
			SUBTOTAL:	0

EXHIBIT "A-4"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: Eucalyptus Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	0	EA.	6,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				0
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering				
Traffic Signal New (interconnect, Controller, Software, Initial Coordinator)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

EXHIBIT "A-4"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Eucalyptus Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A-4"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: Eucalyptus Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	0

**EXHIBIT "A-4"
ENGINEER'S ESTIMATE**

Sheet 6 of 8

PROJECT: Eucalyptus Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	412	L.F.	55.00	22,660
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	5104	L.F.	135.00	689,040
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	1	EA.	1,340.00	1,340
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	2	EA.	2,300.00	4,600
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	1	EA.	14,300.00	14,300
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	7	EA.	2,800.00	19,600
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	5	EA.	4,000.00	20,000
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	3	EA.	4,000.00	12,000
6" Backflow Preventor, Pad & Cover	0	EA.	6,300.00	0
				0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	12	EA.	4,500.00	54,000
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w 5/8" meter	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	3	EA.	1,600.00	4,800
4" Service	3	EA.	2,100.00	6,300
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0	EA.	750.00	0
Misc. Fittings 18"	18	EA.	1,000.00	18,000
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
Adjust Water Meter Box	0		235.00	0
4" Meter	3		1,000.00	3,000
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	150.00	0
Pavement Replacement	0	S.F.	3.00	0
Concrete Cap-18" Water: 7.25 SF x 66 LF = 479 CF = 17.7 CY	18	CY	300.00	5,310
			SUBTOTAL:	874,950

EXHIBIT "A-4"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Eucalyptus Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	20.00	0
6" V.C. Pipe	0	L.F.	25.00	0
8" V.C. Pipe	0	L.F.	30.00	0
10" V.C. Pipe	0	L.F.	40.00	0
12" V.C. Pipe	0	L.F.	50.00	0
15" V.C. Pipe	0	L.F.	75.00	0
18" V.C. Pipe	0	L.F.	90.00	0
21" V.C. Pipe	0	L.F.	105.00	0
24" V.C. Pipe	0	L.F.	120.00	0
27" V.C. Pipe	0	L.F.	135.00	0
30" V.C. Pipe	0	L.F.	150.00	0
33" V.C. Pipe	0	L.F.	165.00	0
36" V.C. Pipe	0	L.F.	185.00	0
4" SDR - 35	0	L.F.	13.00	0
6" SDR - 35	0	L.F.	19.00	0
8" SDR - 35	0	L.F.	25.00	0
10" SDR - 35	0	L.F.	30.00	0
12" SDR - 35	0	L.F.	50.00	0
15" SDR - 35	0	L.F.	60.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechanel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

EXHIBIT "A-4"
ENGINEER'S ESTIMATE

Sheet 6 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: Eucalyptus Water Improvements

DATE: 07/30/10

PREPARED BY: Patrick Revere

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$0
OFFSITE STREET WORK	:	\$0
SPECIAL DISTRICTS	:	\$0
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$0
WATER SYSTEM	:	\$874,950
SEWER SYSTEM	:	\$0
TRAFFIC IMPROVEMENTS	:	\$0
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$874,950
+20% CONTINGENCY:		\$174,990
<u>GRAND TOTAL:</u>		\$1,049,940

BOND AMOUNT:

\$1,050,000



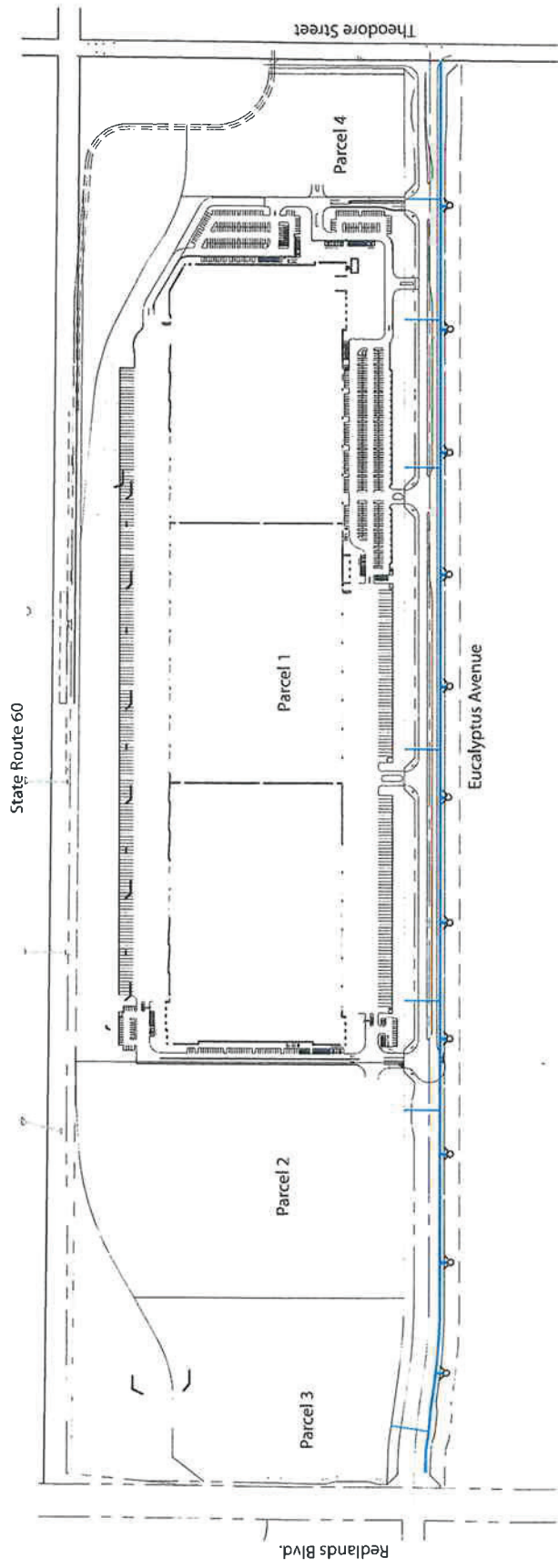


EXHIBIT "B-4"

HFCP-Eucalyptus Water Phase 1 Improvements

EXHIBIT "A-5"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: Eucalyptus Recycled Water Improvements
PUBLIC PAVEMENT SECTIONS

DATE: 07/30/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
			SUBTOTAL:	0

**EXHIBIT "A-5"
ENGINEER'S ESTIMATE**

Sheet 2 of 8

**PROJECT: Eucalyptus Recycled Water Improvements
PUBLIC STREET WORK**

DATE: 07/30/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
<i>Pavement</i>				
Grind & Pave 0.15'	0	S.F.	3.25	0
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	0	L.F.	3.00	0
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	500.00	0
Remove & Dispose Existing Pavement & Base	0	SF	28.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
<i>Concrete</i>				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	0	S.F.	4.25	0
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	0	EA.	2,600.00	0
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
<i>Miscellaneous</i>				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
				0
			SUBTOTAL:	0
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect	0	L.F.	30.00	0
Traffic Striping/raised pavement markers	0	L.S.	--	0
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	0	EA.	200.00	0
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	0	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
				0
			SUBTOTAL:	0
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
				0
			SUBTOTAL:	0

EXHIBIT "A-5"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: Eucalyptus Recycled Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	0	EA.	6,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				0
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA	0	0
Outlets	0	EA	0	0
Risers	0	EA	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordinator)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

EXHIBIT "A-5"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Eucalyptus Recycled Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A-5"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: Eucalyptus Recycled Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	0

EXHIBIT "A-5"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: Eucalyptus Recycled Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	5074	L.F.	55.00	279,070
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	1	EA.	830.00	830
8" Gate Valve	1	EA.	1,340.00	1,340
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	4	EA.	2,300.00	9,200
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	1	EA.	520.00	520
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	4	EA.	2,400.00	9,600
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	7	EA.	4,000.00	28,000
6" Backflow Preventor, Pad & Cover	1	EA.	6,300.00	6,300
				0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w 5/8" meter	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	6	EA.	1,600.00	9,600
4" Service	1		2,100.00	2,100
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	14	EA.	750.00	10,500
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	1		320.00	320
1 1/2" Meter	0		420.00	0
2" Meter	1		525.00	525
Adjust Water Meter Box	3		235.00	705
3" Meter	1		800.00	800
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	150.00	0
Pavement Replacement	0	S.F.	3.00	0
Concrete Cap-12" Water: 3.50 SF x 39 LF = 137 CF = 5.1 CY	5	CY	300.00	1,530
			SUBTOTAL:	360,940

EXHIBIT "A-5"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Eucalyptus Recycled Water Improvements

DATE: 07/30/10
PREPARED BY: Patrick Revere

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	20.00	0
6" V.C. Pipe	0	L.F.	25.00	0
8" V.C. Pipe	0	L.F.	30.00	0
10" V.C. Pipe	0	L.F.	40.00	0
12" V.C. Pipe	0	L.F.	50.00	0
15" V.C. Pipe	0	L.F.	75.00	0
18" V.C. Pipe	0	L.F.	90.00	0
21" V.C. Pipe	0	L.F.	105.00	0
24" V.C. Pipe	0	L.F.	120.00	0
27" V.C. Pipe	0	L.F.	135.00	0
30" V.C. Pipe	0	L.F.	150.00	0
33" V.C. Pipe	0	L.F.	165.00	0
36" V.C. Pipe	0	L.F.	185.00	0
4" SDR - 35	0	L.F.	13.00	0
6" SDR - 35	0	L.F.	19.00	0
8" SDR - 35	0	L.F.	25.00	0
10" SDR - 35	0	L.F.	30.00	0
12" SDR - 35	0	L.F.	50.00	0
15" SDR - 35	0	L.F.	60.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechanel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

EXHIBIT "A-5"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: Eucalyptus Recycled Water Improvements

DATE: 07/30/10

PREPARED BY: Patrick Revere

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$0
OFFSITE STREET WORK	:	\$0
SPECIAL DISTRICTS	:	\$0
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$0
WATER SYSTEM	:	\$360,940
SEWER SYSTEM	:	\$0
TRAFFIC IMPROVEMENTS	:	\$0
BONDABLE WORK (not plan checked)	:	\$0

TOTAL COST (VALUE) OF IMPROVEMENTS: \$360,940

+20% CONTINGENCY: \$72,188

GRAND TOTAL: \$433,128

BOND AMOUNT: \$434,000



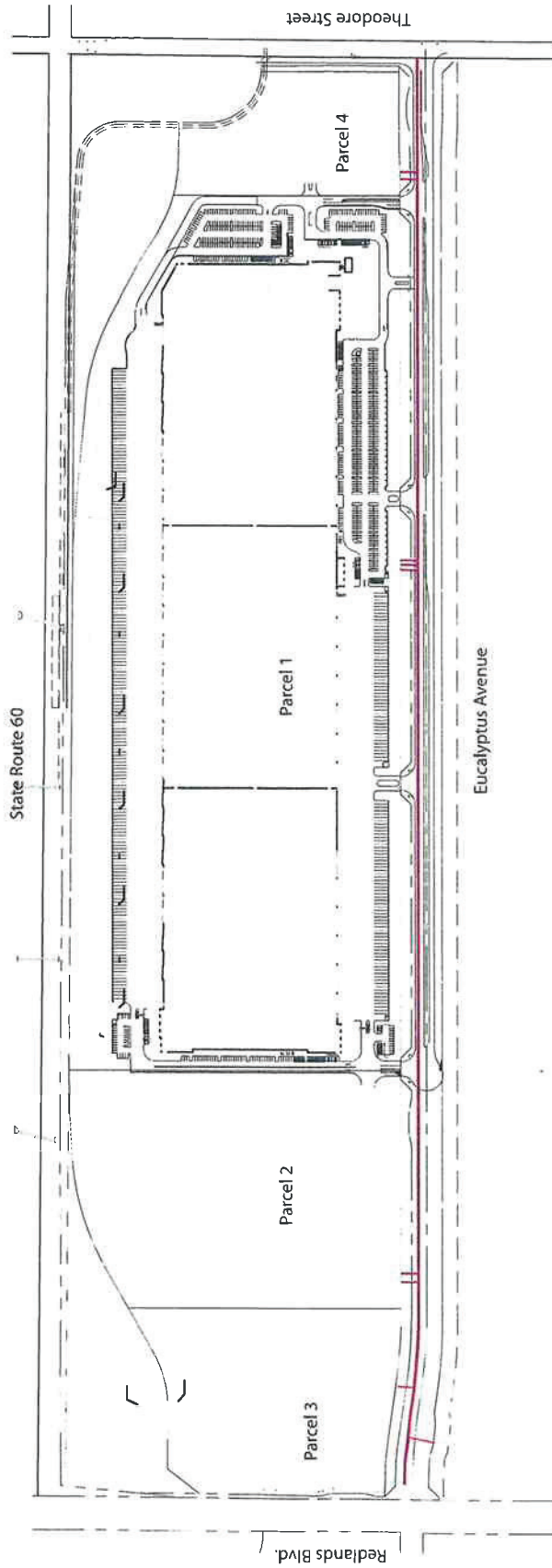


EXHIBIT "B-5"

HFCP-Eucalyptus Recycled Water Phase 1 Improvements

EXHIBIT "A-6"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: Offsite Water Improvement (Sinclair)
PUBLIC PAVEMENT SECTIONS

DATE: 07/28/10
PREPARED BY: Patrick Revere



TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0.25	Thickness (ft.)		
	37190	S.F.	674 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	80.00
			SUBTOTAL:	22,242

EXHIBIT "A-6"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: Offsite Water Improvement (Sinclair)
PUBLIC STREET WORK

DATE: 07/28/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
Pavement				
Grind & Pave 0.15'	0	S.F.	3.25	0
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	0	L.F.	3.00	0
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	500.00	0
Remove & Dispose Existing Pavement & Base	0	SF	28.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
Concrete				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	0	S.F.	4.25	0
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	0	EA.	2,600.00	0
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
				0
			SUBTOTAL	0
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect	0	L.F.	30.00	0
Traffic Striping/raised pavement markers	0	L.S.	--	0
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	0	EA.	200.00	0
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	0	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL:	0
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL:	0

EXHIBIT "A-6"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT:

Offsite Water Improvement (Sinclair)

DATE:

07/28/10

PREPARED BY:

Patrick Revere

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	0	EA.	6,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				0
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordination,	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

EXHIBIT "A-6"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Offsite Water Improvement (Sinclair)

DATE: 07/28/10

PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A-6"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT:

Offsite Water Improvement (Sinclair)

DATE:

07/28/10

PREPARED BY:

Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	0

EXHIBIT "A-6"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Offsite Water Improvement (Sinclair)

DATE: 07/28/10
PREPARED BY: Patrick Revere

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	20.00	0
6" V.C. Pipe	0	L.F.	25.00	0
8" V.C. Pipe	0	L.F.	30.00	0
10" V.C. Pipe	0	L.F.	40.00	0
12" V.C. Pipe	0	L.F.	50.00	0
15" V.C. Pipe	0	L.F.	75.00	0
18" V.C. Pipe	0	L.F.	90.00	0
21" V.C. Pipe	0	L.F.	105.00	0
24" V.C. Pipe	0	L.F.	120.00	0
27" V.C. Pipe	0	L.F.	135.00	0
30" V.C. Pipe	0	L.F.	150.00	0
33" V.C. Pipe	0	L.F.	165.00	0
36" V.C. Pipe	0	L.F.	185.00	0
4" SDR - 35	0	L.F.	13.00	0
6" SDR - 35	0	L.F.	19.00	0
8" SDR - 35	0	L.F.	25.00	0
10" SDR - 35	0	L.F.	30.00	0
12" SDR - 35	0	L.F.	50.00	0
15" SDR - 35	0	L.F.	60.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechannell Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

EXHIBIT "A-6"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: Offsite Water Improvement (Sinclair)

DATE: 07/28/10
PREPARED BY: Patrick Revere

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$22,242
OFFSITE STREET WORK	:	\$0
SPECIAL DISTRICTS	:	\$0
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$0
WATER SYSTEM	:	\$581,438
SEWER SYSTEM	:	\$0
TRAFFIC IMPROVEMENTS	:	\$0
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$603,680
+20% CONTINGENCY:		\$120,736
<u>GRAND TOTAL:</u>		\$724,416

BOND AMOUNT:

\$725,000



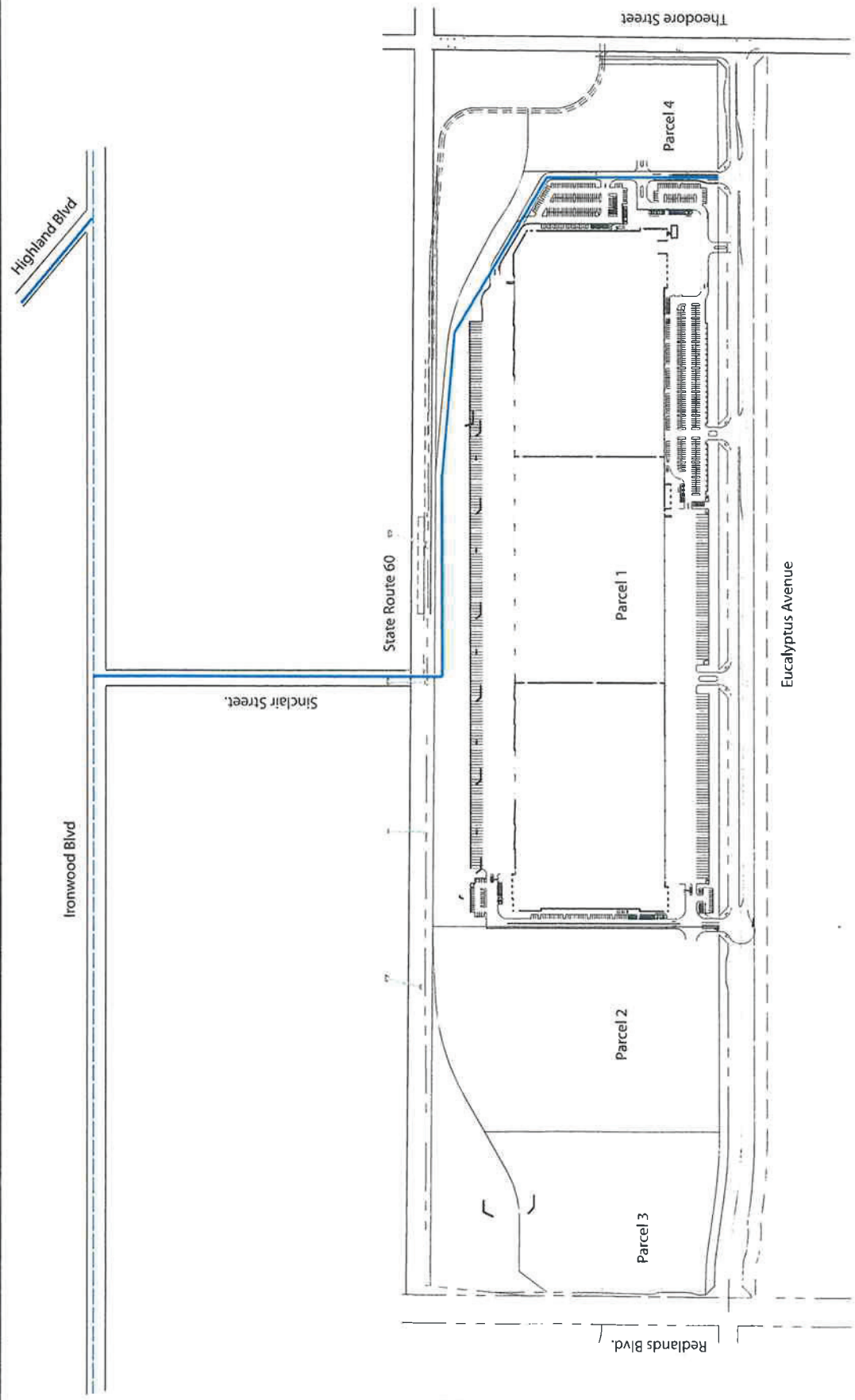


EXHIBIT "B-6"

HFCP-Offsite Water (Sinclair) Improvements

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 1 of 8



PROJECT: Redlands Blvd – Domestic Water Improvement Plans
PUBLIC PAVEMENT SECTIONS

DATE: 07/28/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
			SUBTOTAL:	0

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: Redlands Blvd – Domestic Water Improvement Plans
PUBLIC STREET WORK

DATE: 07/28/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
<i>Pavement</i>				
Grind & Pave 0.15'	0	S.F.	3.25	0
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	0	L.F.	3.00	0
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	500.00	0
Remove & Dispose Existing Pavement & Base	0	SF	28.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
<i>Concrete</i>				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	0	S.F.	4.25	0
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	0	EA.	2,600.00	0
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
<i>Miscellaneous</i>				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
				0
			SUBTOTAL	0
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect	0	L.F.	30.00	0
Traffic Striping/raised pavement markers	0	L.S.	--	0
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	0	EA.	200.00	0
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	0	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL:	0
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL:	0

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: Redlands Blvd – Domestic Water Improvement Plans

DATE: 07/28/10

PREPARED BY: Patrick Revere

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	0	EA.	6,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				0
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordinator)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Redlands Blvd – Domestic Water Improvement Plans

DATE: 07/28/10

PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: Redlands Blvd – Domestic Water Improvement Plans

DATE: 07/28/10

PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	0

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: Redlands Blvd – Domestic Water Improvement Plans

DATE: 07/28/10
PREPARED BY: Patrick Revere

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	1523	L.F.	55.00	83,765
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	2	EA.	2,300.00	4,600
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	1	EA.	2,400.00	2,400
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	1	EA.	4,000.00	4,000
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w 5/8" meter	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	0	EA.	1,600.00	0
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	15		750.00	11,250
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
Adjust Water Meter Box	0		235.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	87	L.F.	300.00	26,100
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	150.00	0
Restrained Joints	613	L.F.	12.00	7,356
FxH Adaptor	4	EA.	750.00	3,000
			SUBTOTAL:	142,471

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Redlands Blvd – Domestic Water Improvement Plans

DATE: 07/28/10
PREPARED BY: Patrick Revere

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	20.00	0
6" V.C. Pipe	0	L.F.	25.00	0
8" V.C. Pipe	0	L.F.	30.00	0
10" V.C. Pipe	0	L.F.	40.00	0
12" V.C. Pipe	0	L.F.	50.00	0
15" V.C. Pipe	0	L.F.	75.00	0
18" V.C. Pipe	0	L.F.	90.00	0
21" V.C. Pipe	0	L.F.	105.00	0
24" V.C. Pipe	0	L.F.	120.00	0
27" V.C. Pipe	0	L.F.	135.00	0
30" V.C. Pipe	0	L.F.	150.00	0
33" V.C. Pipe	0	L.F.	165.00	0
36" V.C. Pipe	0	L.F.	185.00	0
4" SDR - 35	0	L.F.	13.00	0
6" SDR - 35	0	L.F.	19.00	0
8" SDR - 35	0	L.F.	25.00	0
10" SDR - 35	0	L.F.	30.00	0
12" SDR - 35	0	L.F.	50.00	0
15" SDR - 35	0	L.F.	60.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechannel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

EXHIBIT "A-7"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: Redlands Blvd – Domestic Water Improvement Plans DATE: 07/28/10
PREPARED BY: Patrick Revere

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$0
OFFSITE STREET WORK	:	\$0
SPECIAL DISTRICTS	:	\$0
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$0
WATER SYSTEM	:	\$142,471
SEWER SYSTEM	:	\$0
TRAFFIC IMPROVEMENTS	:	\$0
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$142,471
+20% CONTINGENCY:		\$28,494
<u>GRAND TOTAL:</u>		\$170,965

BOND AMOUNT: \$171,000



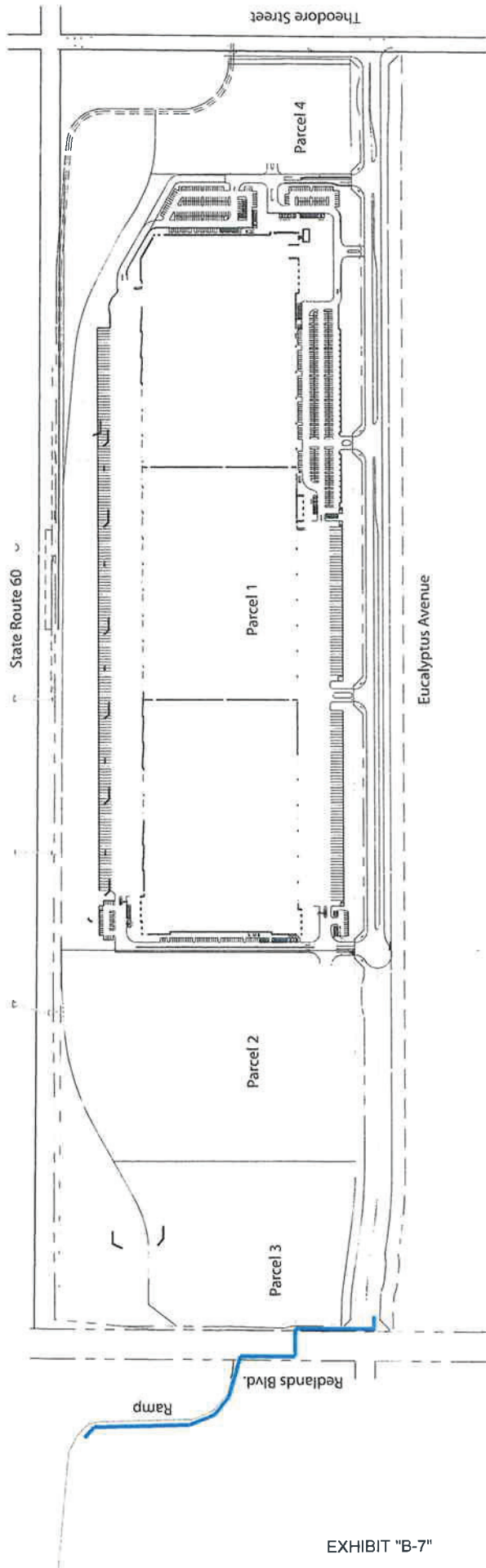


EXHIBIT "B-7"

HFCP-Offsite Water (Redlands) Improvements

EXHIBIT "A- 8"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: Parcel Map 35629 - Monumentation
PUBLIC PAVEMENT SECTIONS

DATE: 06/22/10
PREPARED BY: Patrick Revere *CRJ*

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - DIF				
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - TUMF				
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
			SUBTOTAL:	0

EXHIBIT "A-10"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: Parcel Map 35629 - Monumentation
PUBLIC STREET WORK

DATE: 06/22/10
PREPARED BY: Patrick Revere

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
Pavement				
Grind & Pave 0.15'	0	S.F.	3.25	0
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	0	L.F.	3.00	0
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	500.00	0
Remove & Dispose Existing Pavement & Base	0	SF	28.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
Concrete				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	0	S.F.	4.25	0
Sidewalk (DIF Street Name)	0	S.F.	4.25	0
Sidewalk (TUMF Street Name)	0	S.F.	4.25	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	0	EA.	2,600.00	0
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
				0
			SUBTOTAL	0
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect	0	L.F.	30.00	0
Traffic Striping/raised pavement markers	0	L.S.	--	0
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	--	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	0	EA.	200.00	0
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	10000	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL:	0
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	116	EA.	300.00	34,800
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL:	34,800

EXHIBIT "A-10"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: Parcel Map 35629 – Monumentation

DATE: 06/22/10
PREPARED BY: Patrick Revere

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	0	EA.	6,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				0
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordinator)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

EXHIBIT "A-10"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: Parcel Map 35629 – Monumentation

DATE: 06/22/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6700.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21') (Dif St-Perris Blvd)	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A-10"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: Parcel Map 35629 – Monumentation

DATE: 06/22/10
PREPARED BY: Patrick Revere

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000.00	0
			SUBTOTAL:	0

EXHIBIT "A-10"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT:

Parcel Map 35629 – Monumentation

DATE:

06/22/10

PREPARED BY:

Patrick Revere

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	0	L.F.	55.00	0
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	0	EA.	2,300.00	0
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w 5/8" meter	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	0	EA.	1,600.00	0
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
Adjust Water Meter Box	0		235.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	150.00	0
	0		0.00	0
			SUBTOTAL:	0

EXHIBIT "A-10"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: Parcel Map 35629 – Monumentation

DATE: 06/22/10
PREPARED BY: Patrick Revere

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	20.00	0
6" V.C. Pipe	0	L.F.	25.00	0
8" V.C. Pipe	0	L.F.	30.00	0
10" V.C. Pipe	0	L.F.	40.00	0
12" V.C. Pipe	0	L.F.	50.00	0
15" V.C. Pipe	0	L.F.	75.00	0
18" V.C. Pipe	0	L.F.	90.00	0
21" V.C. Pipe	0	L.F.	105.00	0
24" V.C. Pipe	0	L.F.	120.00	0
27" V.C. Pipe	0	L.F.	135.00	0
30" V.C. Pipe	0	L.F.	150.00	0
33" V.C. Pipe	0	L.F.	165.00	0
36" V.C. Pipe	0	L.F.	185.00	0
4" SDR - 35	0	L.F.	13.00	0
6" SDR - 35	0	L.F.	19.00	0
8" SDR - 35	0	L.F.	25.00	0
10" SDR - 35	0	L.F.	30.00	0
12" SDR - 35	0	L.F.	50.00	0
15" SDR - 35	0	L.F.	60.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechannel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
	0			0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: Parcel Map 35629 – Monumentation

DATE: 06/22/10

PREPARED BY: Patrick Revere

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$0
OFFSITE STREET WORK	:	\$0
SPECIAL DISTRICTS	:	\$0
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$0
WATER SYSTEM	:	\$0
SEWER SYSTEM	:	\$0
TRAFFIC IMPROVEMENTS	:	\$0
BONDABLE WORK (not plan checked)	:	\$34,800
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$34,800
+20% CONTINGENCY:		\$6,960
<u>GRAND TOTAL:</u>		\$41,760

BOND AMOUNT:

\$42,000



EXHIBIT "B-8"

No Exhibit for Parcel Map Monumentation

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Exhibit "A-9"

**Highland Fairview Corporate Park
Preliminary Dry Utility
Engineer's Estimate
Eucalyptus Avenue**

TRENCHING	QTY		UNIT COST		TOTAL
Provide and Install:					
Trench - Electric Only (Includes all saw cut, removals, shading, backfill, and surface restoration)	5,200	ft	\$	32.00	\$ 166,400.00
Concrete Encasement (Full)	4,725	ft	\$	16.00	\$ 75,600.00
TRENCHING SUB-TOTAL					\$ 242,000.00

ELECTRIC CONDUIT & SUBSTRUCTURES	QTY		UNIT COST		TOTAL
Provide and Install:					
Transformer Pad RPM 48"x54"	3	ea	\$	1,600.00	\$ 4,800.00
6'X7'X12' Vault (w 12" grade ring)	1	ea	\$	18,450.00	\$ 18,450.00
5'X10'X7' PME	3	ea	\$	10,200.00	\$ 30,600.00
Capacitor Pad 66" x 72"	2	ea	\$	1,600.00	\$ 3,200.00
Handhole - 13" x 24" x 24" Concrete	24	ea	\$	105.00	\$ 2,520.00
Grounding/Racking and Miscellaneous Materials	32	ea	\$	625.00	\$ 20,000.00
1-5" Conduit DB100	26,960	ft	\$	3.50	\$ 94,360.00
1-4" Conduit DB100	5,509	ft	\$	3.15	\$ 17,353.35
1-3" Conduit DB100	5,587	ft	\$	2.80	\$ 15,643.60
1-2" Conduit DB100	0	ft	\$	2.35	\$ -
1-1 1/2" Conduit DB100	3,387	ft	\$	1.95	\$ 6,604.65
SUBTOTAL - ELECTRIC CONDUIT & SUBSTRUCTURES					\$ 213,531.60

ELECTRIC CABLING (12KV DISTRIBUTION)	QTY		UNIT COST		TOTAL
Provide and Install:					
PME-10 Switch	3	ea	\$	19,000.00	\$ 57,000.00
1800 KVAR Capacitor	2	ea	\$	26,000.00	\$ 52,000.00
25 KVA/120-240/ 12 KV Fused	3	ea	\$	3,900.00	\$ 11,700.00
4W Secondary Bar	72	ea	\$	110.00	\$ 7,920.00
600AMP Elbow	6	ea	\$	570.00	\$ 3,420.00
600AMP Dead End w/Test Point	13	ea	\$	430.00	\$ 5,590.00
600AMP TEE'S (Elbow w/ 200AMP Tap)	14	ea	\$	690.00	\$ 9,660.00
600A 2W Splice, 15KV w/200A Tap	2	ea	\$	690.00	\$ 1,380.00
600A 2W Splice, 15KV	10	ea	\$	570.00	\$ 5,700.00
200A 1/0 Elbow	12	ea	\$	220.00	\$ 2,640.00
3 1/C 1000 JCN-12KV	2,482	ft	\$	28.00	\$ 69,496.00
3 1/C 750 JCN-12KV	7,424	ft	\$	21.00	\$ 155,904.00
2/C 1/0 JCN 12KV	1,071	ft	\$	9.00	\$ 9,639.00
2/C #8 AI CLP	590	ft	\$	1.70	\$ 1,003.00

SUBTOTAL - ELECTRIC CABLE (12KV DISTRIBUTION) \$ 393,052.00

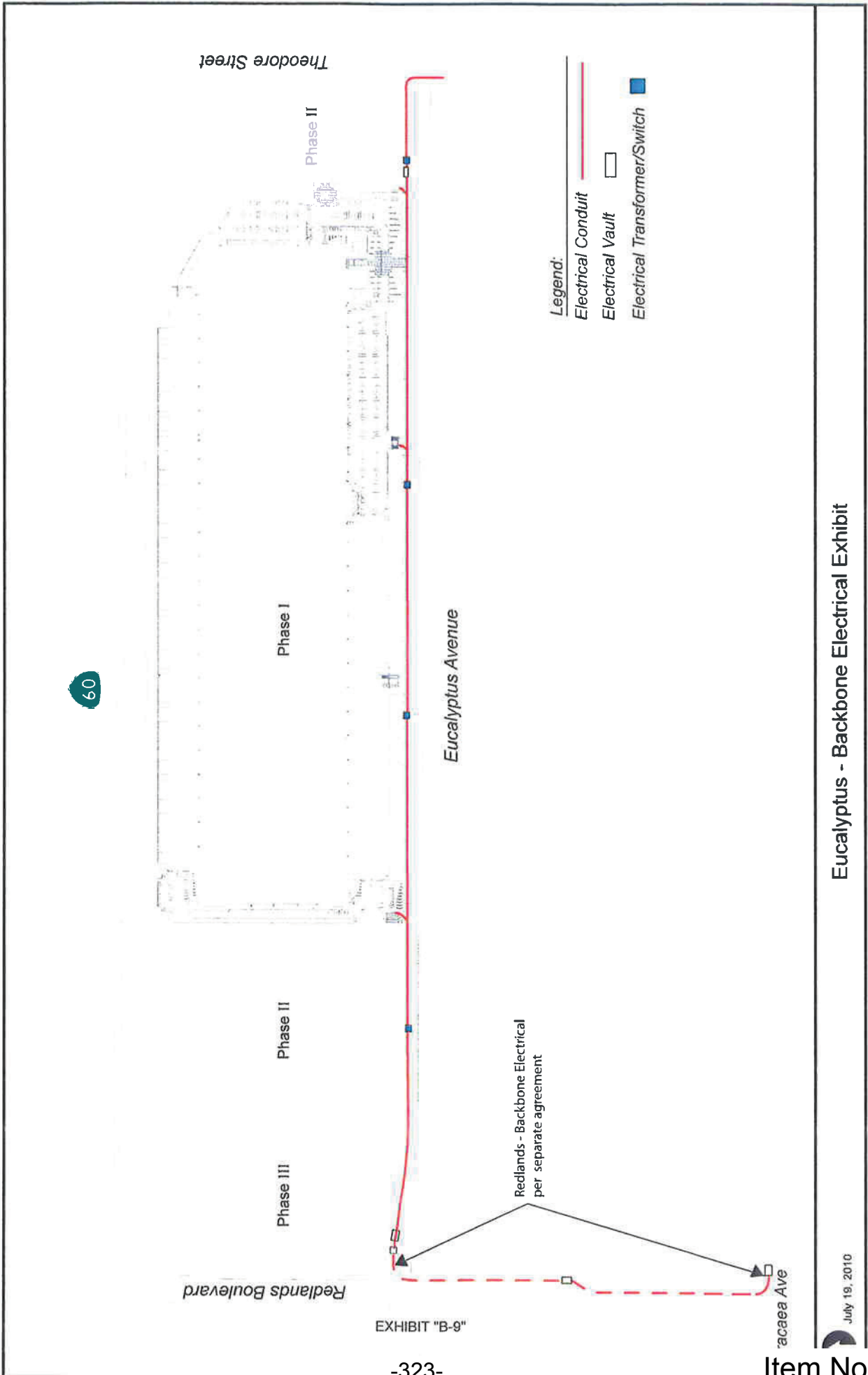
Total Estimate \$ 848,583.60

Bond Amount \$ 849,000.00

Reviewed And Accepted
M. J. W. C. [Signature]
 07/28/10
 MVU



7/28/10
 Butsko Utility Design, Inc.
 EP



60

Eucalyptus - Backbone Electrical Exhibit

July 19, 2010

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1

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)
CONTRACTOR'S COPY

Public Improvements \$ 2,778,000

Project No. PA07-0090

Bond No. 6711632

Premium \$50,004

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and,

EUCALYPTUS STREET IMPROVEMENTS

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** AND NO/100 Dollars (**\$ 2,778,000 .00**), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. **** TWO MILLION SEVEN HUNDRED SEVENTY-EIGHT THOUSAND & NO/100 DOLLARS**

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "C"

MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

CONTRACTOR'S
COPY

Public Improvements \$ 1,389,000

Project No. PA07-0090

Bond No. 6711632

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDAL, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and,
EUCALYPTUS STREET IMPROVEMENTS

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of ** Dollars (***\$1,389,000***), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

** ONE MILLION THREE HUNDRED EIGHTY-NINE THOUSAND & NO/100 DOLLARS

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "D"

2

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California

(Government Code Section 66499.1)

CONTRACTOR'S
COPY

Public Improvements \$ 821,000

Project No. PA07-0090

Bond No. 6711633

Premium \$14,778

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and,
THEODORE STREET IMPROVEMENTS

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** AND NO/100 Dollars (***\$ 821,000 .00***), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. ** EIGHT HUNDRED TWENTY-ONE THOUSAND & NO/100 DOLLARS

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "E"

MATERIAL AND LABOR BOND

CONTRACTOR'S
COPY

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

Public Improvements \$ 410,500

Project No. PA07-0090

Bond No. 6711633

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and,

THEODORE STREET IMPROVEMENTS

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of FOUR HUNDRED TEN THOUSAND FIVE HUNDRED Dollars (*****\$410,500.00*****), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "F"

3

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)

CONTRACTOR'S
COPY

Public Improvements \$ 467,000

Project No. PA07-0090

Bond No. 6711634

Premium \$8,406

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and,
EUCALYPTUS SEWER IMPROVEMENTS

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** AND NO/100 Dollars (**\$ 467,000 .00**), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. ** FOUR HUNDRED SIXTY-SEVEN THOUSAND & NO/100 DOLLARS

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "G"

MATERIAL AND LABOR BOND

CONTRACTOR'S COPY

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

Public Improvements \$ 233,500

Project No. PA07-0090

Bond No. 6711634

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and, **EUCALYPTUS SEWER IMPROVEMENTS**

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of ** Dollars (*****\$ 233,500.00*****), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

**** TWO HUNDRED THIRTY-THREE THOUSAND FIVE HUNDRED & NO/100 DOLLARS**

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "H"

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)

CONTRACTOR'S
COPY

Public Improvements \$ 1,050,000

Project No. PA07-0090

Bond No. 6711635

Premium \$18,900

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and, EUCALYPTUS WATER IMPROVEMENTS.

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** AND NO/100 Dollars (**\$ 1,050,000 .00**), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. **** ONE MILLION FIFTY THOUSAND & NO/100 DOLLARS**

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "I"

MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

CONTRACTOR'S
COPY

Public Improvements \$ 525,000
Bond No. 6711635
Surety SAFECO INSURANCE COMPANY OF AMERICAN
Address 330 N. BRAND BOULEVARD, SUITE 500
City/Zip GLENDALE, CA 91203

Project No. PA07-0090
Premium INCLUDED IN PERFORMANCE BOND
Principal HF Logistics-SKX T1, LLC
Address 14225 Corporate Way
City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and, EUCALYPTUS WATER IMPROVEMENTS

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of FIVE HUNDRED TWENTY-FIVE THOUSAND Dollars (***\$ 525,000.00***), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "J"

6

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)

**CONTRACTOR'S
COPY**

Public Improvements \$ 434,000

Project No. PA07-0090

Bond No. 6711636

Premium \$7,812

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and,
EUCALYPTUS RECYCLED WATER IMPROVEMENTS

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** AND NO/100 Dollars (**\$ 434,000 .00**), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. **** FOUR HUNDRED THIRTY-FOUR THOUSAND & NO/100 DOLLARS**

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "K"

MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

CONTRACTOR'S
COPY

Public Improvements \$ 217,000

Project No. PA07-0090

Bond No. 6711636

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDAL, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and, EUCALYPTUS RECYCLED WATER IMPROVEMENTS

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of TWO HUNDRED SEVENTEEN THOUSAND Dollars (***\$ 217,000.00***), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "L"

(6)

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)

CONTRACTOR'S
COPY

Public Improvements \$ 725,000

Project No. PA07-0090

Bond No. 6711637

Premium \$13,050

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and, SINCLAIR WATER LINE IMPROVEMENTS.

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** **AND NO/100** Dollars (***\$ 725,000 .00***), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. **** SEVEN HUNDRED TWENTY-FIVE THOUSAND & NO/100 DOLLARS**

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "M"

MATERIAL AND LABOR BOND

CONTRACTOR'S
COPY

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

Public Improvements \$ 362,500

Project No. PA07-0090

Bond No. 6711637

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and,
SINCLAIR WATER LINE IMPROVEMENTS

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of ** Dollars (**\$362,500.00**), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

** THREE HUNDRED SIXTY-TWO THOUSAND FIVE HUNDRED & NO/100 DOLLARS

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "N"

9

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California

(Government Code Section 66499.1)

CONTRACTOR'S
COPY

Public Improvements \$ 171,000

Project No. PA07-0090

Bond No. 6711638

Premium \$3,078

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and,
REDLANDS DOMESTIC WATER IMPROVEMENTS

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** AND NO/100 Dollars (***\$ 171,000 .00***), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. ** ONE HUNDRED SEVENTY-ONE THOUSAND & NO/100 DOLLARS

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "O"

MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California

(Government Code Section 66499.2)

CONTRACTOR'S
COPY

Public Improvements \$ 85,500

Project No. PA07-0090

Bond No. 6711638

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and, **REDLANDS DOMESTIC WATER IMPROVEMENTS**

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of EIGHTY-FIVE THOUSAND FIVE HUNDRED Dollars (~~***\$85,500.00***~~), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "P"

5

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California

(Government Code Section 66499.1)

CONTRACTOR'S
COPY

Public Improvements \$42,000

Project No. PA07-0090

Bond No. 6711639

Premium \$756

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, as "Principal" have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and,

PARCEL MAP MONUMENTATION

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of FORTY-TWO THOUSAND AND NO/100 Dollars (**\$ 42,000 .00**), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "Q"

MATERIAL AND LABOR BOND

CONTRACTOR'S COPY

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

Public Improvements \$ 21,000

Project No. PA07-0090

Bond No. 6711639

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and,
PARCEL MAP MONUMENTATION

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of TWENTY-ONE THOUSAND & NO/100 Dollars (~~***\$21,000.00***~~), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "R"

9

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)

CONTRACTOR'S
COPY

Public Improvements \$ 849,000

Project No. PA07-0090

Bond No. 6711640

Premium \$15,282

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **HF Logistics-SKX T1, LLC**, as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0090**, which agreement is hereby referred to and made a part hereof; and,
EUCALYPTUS ELECTRICAL IMPROVEMENTS

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and SAFECO INSURANCE COMPANY OF AMERICA, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ** **AND NO/100** Dollars (*****\$ 849,000 .00*****), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents. **** EIGHT HUNDRED FORTY-NINE THOUSAND & NO/100 DOLLARS**

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

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

Exhibit "S"

MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

CONTRACTOR'S
COPY

Public Improvements \$ 424,500

Project No. PA07-0090

Bond No. 6711640

Premium INCLUDED IN PERFORMANCE BOND

Surety SAFECO INSURANCE COMPANY OF AMERICA

Principal HF Logistics-SKX T1, LLC

Address 330 N. BRAND BOULEVARD, SUITE 500

Address 14225 Corporate Way

City/Zip GLENDALE, CA 91203

City/Zip Moreno Valley, CA 92553

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and HF Logistics-SKX T1, LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0090, which agreement is hereby referred to and made a part hereof; and,
EUCALYPTUS ELECTRICAL IMPROVEMENTS

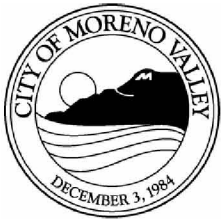
WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of ** Dollars (**\$424,500.00**), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

** FOUR HUNDRED TWENTY-FOUR THOUSAND FIVE HUNDRED & NO/100 DOLLARS

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Exhibit "T"



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RA</i>
CITY MANAGER	<i>WBS</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: PA07-0090 – APPROVAL OF COOPERATIVE AGREEMENT FOR MORENO MASTER DRAINAGE PLAN LINE F, STAGE 3, LINE D, LINE D-5, LINE D-6, AND LINE F SINCLAIR STREET STORM DRAIN, ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK, BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, CITY OF MORENO VALLEY, AND HF LOGISTICS-SKX T1, LLC, HF LOGISTICS-SKX T2, LLC, HIGHLAND FAIRVIEW PARTNERS I, HIGHLAND FAIRVIEW PARTNERS II, HIGHLAND FAIRVIEW PARTNERS III, AND HIGHLAND FAIRVIEW PARTNERS IV

BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET

DEVELOPER: HF LOGISTICS – SKX T1, LLC
14425 CORPORATE WAY
MORENO VALLEY, CA 92553

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Approve the Cooperative Agreement between Riverside County Flood Control and Water Conservation District, the City of Moreno Valley, and HF Logistics-SKX T1, LLC, HF Logistics-SKX T2, LLC, Highland Fairview Partners I, Highland Fairview Partners II, Highland Fairview Partners III, and Highland Fairview Partners IV for Moreno Master Drainage Plan Line F, Stage 3, Line D, Line D-5, Line D-6, and Line F Sinclair Street Storm Drain improvements.

2. Authorize the Mayor to execute the Cooperative Agreement.
3. Direct the City Clerk to forward the signed Cooperative Agreement to Riverside County Flood Control and Water Conservation District.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

BACKGROUND

On February 10, 2009, the City Council of the City of Moreno Valley approved Plot Plan (PA07-0091) and Tentative Parcel Map No. 35629 (PA07-0090) and accepted phase-specific Conditions of Approval. The project conditions of approval require the developer to complete certain master storm drain improvements within the Moreno Area Drainage Plan. The improvements consist of construction of the following storm drain lines: Line F, Stage 3; Line D; Line D-5; Line D-6; and Line F Sinclair Street Storm Drain.

On June 8, 2010, the City Council for the City of Moreno Valley approved HF Logistics – SKX T1, LLC Public Improvement Agreement and cash security for Moreno Master Drainage Plan Line F Improvements.

On July 13, 2010, the City Council for the City of Moreno Valley approved replacement security and Public Improvement Agreement for Moreno Master Drainage Plan Line F Improvements.

DISCUSSION

As a condition of approval of Parcel Map No. 35629, the City requires the developer to construct certain storm drain facilities in order to provide flood protection and drainage for the developer's planned development. The Cooperative Agreement is the District's mechanism by which the District, the City, and the developer coordinate the construction and maintenance of master storm drain facilities.

The required facilities for this project include construction of approximately 5,116 linear feet of underground storm drain system within proposed drainage easements and City right-of-way, which once accepted will be the District's drainage facilities. These storm drains will intercept flows from culverts under SR-60, route them through the project site with proposed drainage easements and discharge into a proposed spreading basin just south of Eucalyptus Avenue. The City's drainage facilities will consist of inlets, catch basins, laterals and connector pipes within City-held easements or right-of-way.

The developer is responsible for the design and construction of the project. The plans and specifications have been approved in accordance with the District's and City's standards.

The District is providing inspection for the construction under an existing Right of Entry and Inspection Agreement, and will accept ownership and responsibility for the maintenance of the District's drainage facilities, if the developer meets all requirements of the Cooperative Agreement.

The City has reviewed the plans and specifications, and will provide necessary inspection for storm drain construction, and accept ownership and responsibility for the operation and maintenance of the City's drainage facilities, if the developer meets all requirements of the Cooperative Agreement. The City is holding a Faithful Performance Bond and Material and Labor Bond for both the District's drainage facilities and the City's drainage facilities.

ALTERNATIVES

1. Approve the Cooperative Agreement between Riverside County Flood Control and Water Conservation District, the City of Moreno Valley, and HF Logistics-SKX T1, LLC, HF Logistics-SKX T2, LLC, Highland Fairview Partners I, Highland Fairview Partners II, Highland Fairview Partners III, and Highland Fairview Partners IV for Moreno Master Drainage Plan Line F, Stage 3, Line D, Line D-5, Line D-6, and Line F Sinclair Street Storm Drain improvements. Authorize the Mayor to execute the Cooperative Agreement. Direct the City Clerk to forward the signed Cooperative Agreement to Riverside County Flood Control and Water Conservation District.
2. Do not approve the Cooperative Agreement between Riverside County Flood Control and Water Conservation District, the City of Moreno Valley, and HF Logistics-SKX T1, LLC, HF Logistics-SKX T2, LLC, Highland Fairview Partners I, Highland Fairview Partners II, Highland Fairview Partners III, and Highland Fairview Partners IV for Moreno Master Drainage Plan Line F, Stage 3, Line D, Line D-5, Line D-6, and Line F Sinclair Street Storm Drain improvements. Do not authorize the Mayor to execute the Cooperative Agreement. Do not direct the City Clerk to forward the signed Cooperative Agreement to Riverside County Flood Control and Water Conservation District. *Not approving staff's recommendation would result in the developer constructing the said storm drain improvements and the City maintaining the entire improvements.*

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

EXHIBITS

Exhibit "A" - Vicinity Map

Exhibit "B" – Location Map

Exhibit "C" – Cooperative Agreement with Exhibits

Prepared By
Clement Jimenez, P.E..
Senior Engineer

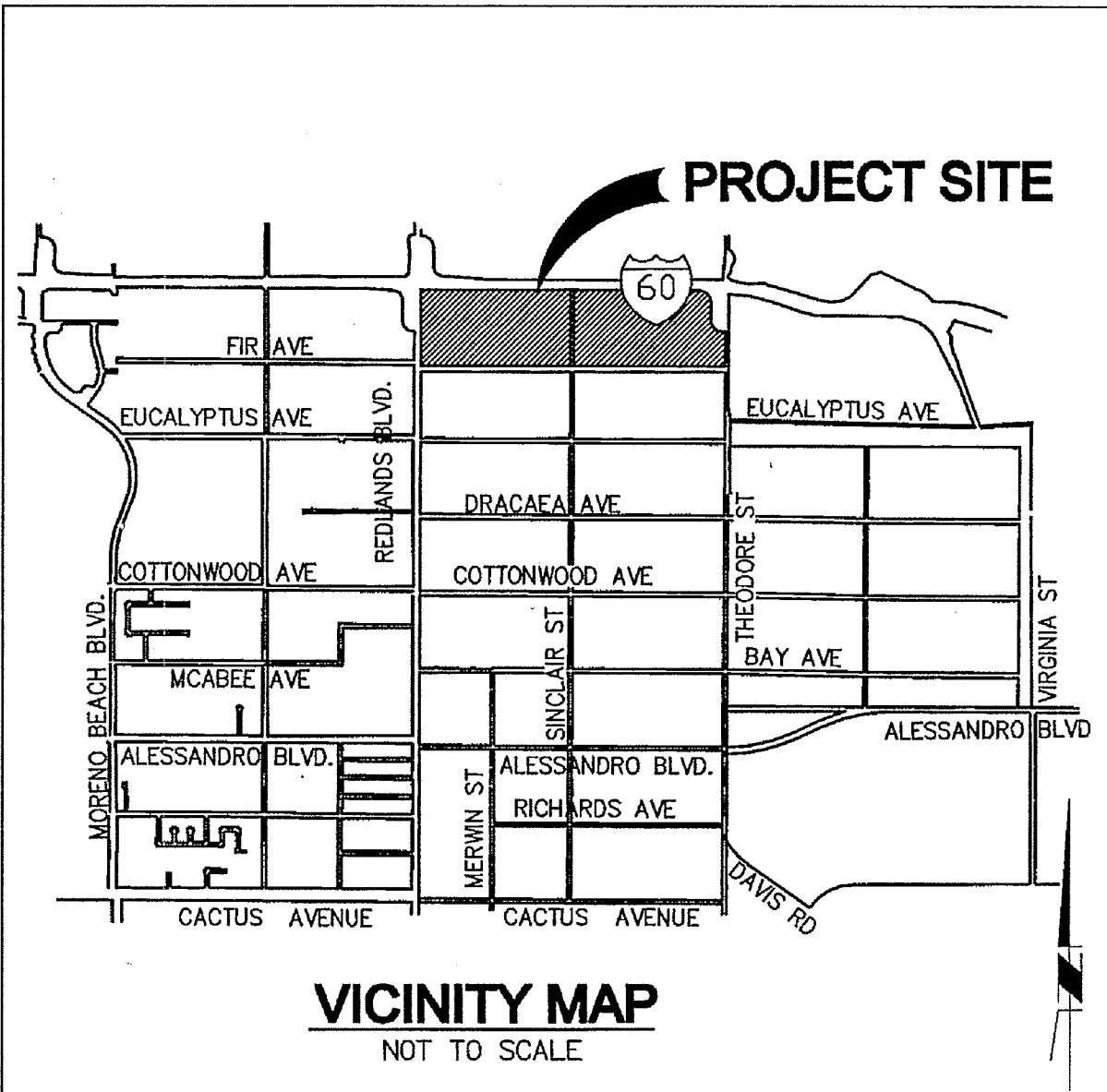
Department Head Approval
Chris A. Vogt, P.E..
Public Works Director/City Engineer

Concurred By
Mark W. Sambito, P.E..
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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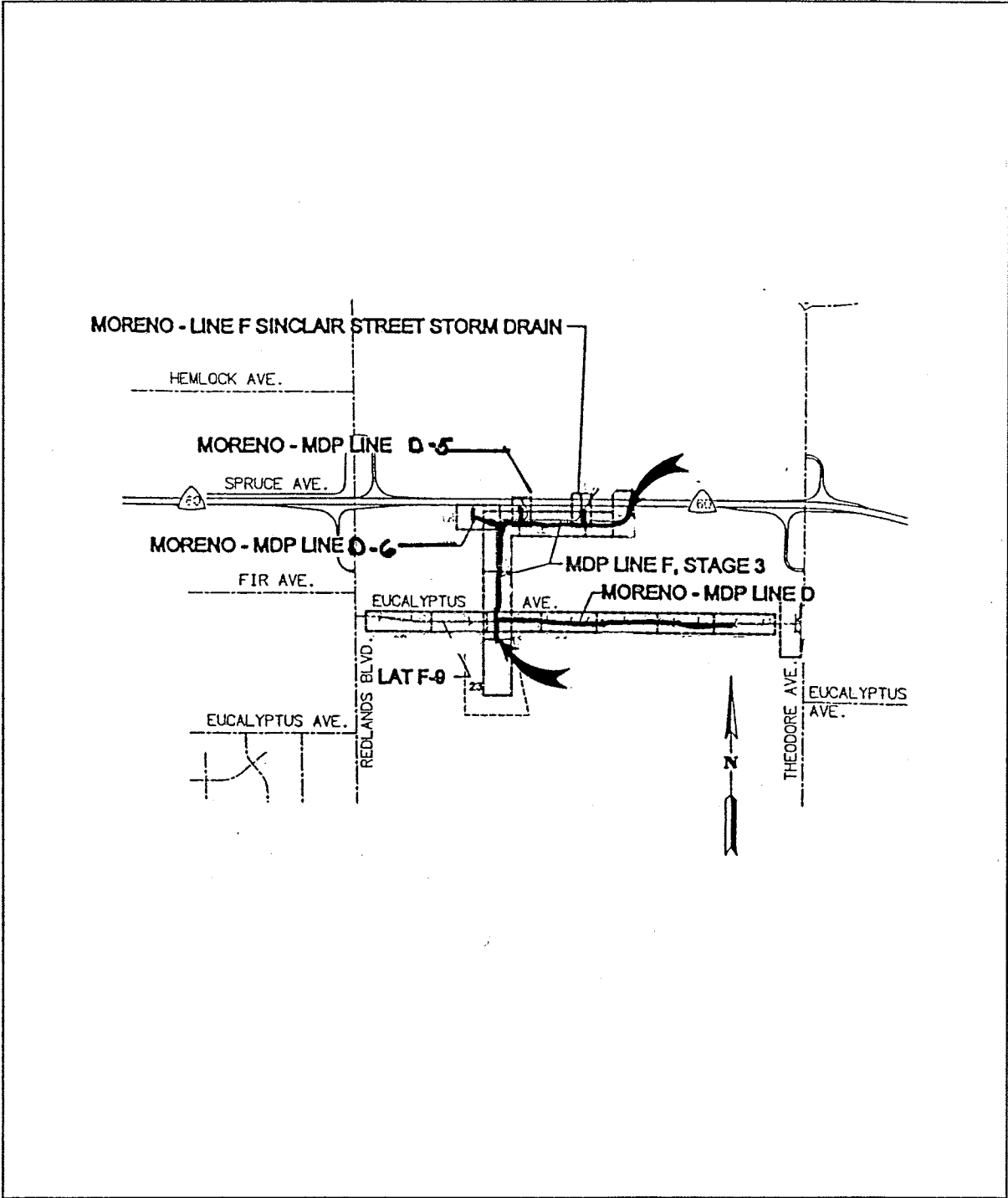
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<p>CITY OF MORENO VALLEY PUBLIC WORKS - LAND DEVELOPMENT Exhibit "A"</p>	<p>PA07-0090 VICINITY MAP</p>
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**CITY OF MORENO VALLEY
PUBLIC WORKS - LAND DEVELOPMENT
Exhibit "B"**

**PA07-0090
LOCATION MAP**

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Exhibit "C"
Cooperative Agreement
Moreno MDP Line F, Stage 3
Moreno MDP Line D
Moreno MDP Line D-5
Moreno MDP Line D-6
Moreno Line F Sinclair Street Storm Drain

1 COOPERATIVE AGREEMENT

2 Moreno MDP Line F, Stage 3

3 Moreno MDP Line D

4 Moreno MDP Line D-5

5 Moreno MDP Line D-6

6 Moreno – Line F Sinclair Street Storm Drain

7 (Project Nos. 4-0-00752-03, 4-0-00749, 4-0-00741, 4-0-00742, 4-0-00743)

8 (Parcel Map No. 35629)

9 The RIVERSIDE COUNTY FLOOD CONTROL AND WATER
10 CONSERVATION DISTRICT, hereinafter called "DISTRICT", the CITY OF MORENO
11 VALLEY, hereinafter called "CITY", and HF LOGISTICS-SKX T1, LLC, a Delaware limited
12 liability company, HF LOGISTICS-SKX T2, LLC, a Delaware limited liability company,
13 HIGHLAND FAIRVIEW PARTNERS I, a California general partnership, HIGHLAND
14 FAIRVIEW PARTNERS II, a California general partnership, HIGHLAND FAIRVIEW
15 PARTNERS III, a California general partnership, and HIGHLAND FAIRVIEW PARTNERS
16 IV, a California general partnership, hereinafter together called "DEVELOPERS", hereby agree
17 as follows:

18 RECITALS

19 A. DEVELOPERS have submitted for approval Parcel Map No. 35629 in the
20 City of Moreno Valley and as a condition for approval DEVELOPERS must construct certain
21 flood control facilities in order to provide flood protection and drainage for DEVELOPERS'
22 planned development; and

23 B. The required flood control facilities include construction of approximately
24 5,116 lineal feet of underground storm drain system, hereinafter called "DISTRICT
25 DRAINAGE FACILITIES, as shown in concept in red on Exhibit "A" attached hereto and made
26 a part hereof; and
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1 C. Also associated with the construction of DISTRICT DRAINAGE
2 FACILITIES is the construction of inlets, catch basins, laterals and connector pipes located
3 within CITY'S right of way, hereinafter called "APPURTENANCES". Together, DISTRICT
4 DRAINAGE FACILITIES and APPURTENANCES are hereinafter called "PROJECT"; and

5 D. DEVELOPERS and CITY desire DISTRICT to accept ownership and
6 responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES.
7 Therefore, DISTRICT must review and approve DEVELOPERS' plans and specifications for
8 PROJECT and subsequently inspect the construction of DISTRICT DRAINAGE FACILITIES;
9 and
10

11 E. DEVELOPERS and DISTRICT desire CITY to accept ownership and
12 responsibility for the operation and maintenance of APPURTENANCES. Therefore, CITY
13 must review and approve DEVELOPERS' plans and specifications and subsequently inspect the
14 construction of PROJECT; and
15

16 F. DISTRICT is willing to (i) review and approve DEVELOPERS' plans and
17 specifications for PROJECT, (ii) inspect the construction of DISTRICT DRAINAGE
18 FACILITIES, and (iii) accept ownership and responsibility for the operation and maintenance of
19 DISTRICT DRAINAGE FACILITIES, provided DEVELOPERS (i) comply with this
20 Agreement, (ii) pay DISTRICT the amounts specified herein to cover DISTRICT'S plan review
21 and construction inspection costs, (iii) construct PROJECT in accordance with plans and
22 specifications approved by DISTRICT and CITY, (iv) obtain all necessary permits, regulatory
23 permits, licenses and rights of entry as set forth herein, (v) accept ownership and responsibility
24 for the operation and maintenance of PROJECT following completion of PROJECT
25 construction until such time as DISTRICT accepts ownership and responsibility for the
26 operation and maintenance of DISTRICT DRAINAGE FACILITIES and CITY accepts
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1 ownership and responsibility for the operation and maintenance of APPURTENANCES, and
2 (vi) obtain and convey to DISTRICT the necessary rights of way for the inspection, operation
3 and maintenance of DISTRICT DRAINAGE FACILITIES as set forth herein; and

4 G. CITY is willing to (i) review and approve plans and specifications prepared
5 by DEVELOPERS for PROJECT, (ii) inspect the construction of APPURTENANCES, (iii)
6 accept and hold faithful performance and payment bonds submitted by DEVELOPERS for
7 DISTRICT DRAINAGE FACILITIES, (iv) grant DISTRICT the right to inspect, operate and
8 maintain DISTRICT DRAINAGE FACILITIES within CITY rights of way, (v) consent to the
9 recordation and conveyance of Irrevocable Offer(s) of Dedication furnished by DEVELOPERS
10 as provided herein, and (vi) accept ownership and responsibility for the operation and
11 maintenance of APPURTENANCES, provided PROJECT is constructed in accordance with
12 plans and specifications approved by DISTRICT and CITY.
13

14
15 NOW, THEREFORE, the parties hereto mutually agree as follows:

16 SECTION I

17 DEVELOPERS shall:

18 1. Prepare PROJECT plans and specifications, as shown in DISTRICT
19 Drawing No. 4-1007 hereinafter called "IMPROVEMENT PLANS", in accordance with
20 DISTRICT and CITY standards, and submit to DISTRICT and CITY for their review and
21 approval.
22

23 2. Continue to pay DISTRICT, within thirty (30) days after receipt of
24 periodic billings from DISTRICT, any and all such amounts as are deemed reasonably
25 necessary by DISTRICT to cover DISTRICT'S costs associated with the review of
26 IMPROVEMENT PLANS, the review and approval of all right of way and conveyance
27 documents, and with the processing and administration of this Agreement. Additionally, deposit
28

1 with CITY, any and all such amounts as are deemed reasonably necessary by CITY to cover
2 CITY'S costs associated with the review of IMPROVEMENT PLANS, the review and approval
3 of all right of way and conveyance documents, and with the processing and administration of
4 this Agreement.

5 3. Deposit with DISTRICT (Attention: Business Office – Accounts
6 Receivable), at the time of providing written notice to DISTRICT of the start of DISTRICT
7 DRAINAGE FACILITIES construction as set forth in Section I.8., the estimated cost of
8 providing construction inspection for DISTRICT DRAINAGE FACILITIES, in an amount as
9 determined and approved by DISTRICT in accordance with Ordinance Nos. 671 and 749 of the
10 County of Riverside, including any amendments thereto, based upon the bonded value of
11 DISTRICT DRAINAGE FACILITIES to be inspected, operated and maintained by DISTRICT.
12 Additionally, deposit with CITY (Attention: Public Works/Land Development), at the time of
13 providing written notice to DISTRICT of the start of PROJECT construction as set forth in
14 Section I.8., the estimated cost of providing construction inspection in an amount as determined
15 and approved by CITY in accordance with the most recent City Code and Fee Resolution of
16 CITY, including any amendments thereto.
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18

19 4. [This Section Intentionally Left Blank.]

20 5. Secure, at its sole cost and expense, all necessary licenses, agreements,
21 permits and rights of entry as may be needed for the construction, inspection, operation and
22 maintenance of DISTRICT DRAINAGE FACILITIES. DEVELOPERS shall furnish
23 DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as
24 set forth in Section I.8., with sufficient evidence of DEVELOPERS having secured such
25 necessary licenses, agreements, permits and rights of entry, as determined and approved by
26 DISTRICT.
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6. Furnish DISTRICT with copies of all permits, approvals or agreements required by any Federal or State resource and/or regulatory agency for the construction, operation and maintenance of DISTRICT DRAINAGE FACILITIES. Such documents include but are not limited to those issued by the U.S. Army Corps of Engineers, California Regional Water Quality Control Board, California State Department of Fish and Game and State Water Resources Control Board.

7. Provide CITY, prior to providing written notice to DISTRICT of the start of construction as set forth in Section I.8., with a faithful performance bond in the amount of one hundred percent (100%) of the estimated cost for construction of DISTRICT DRAINAGE FACILITIES as determined by DISTRICT and a material and labor payment bond in the amount of fifty percent (50%) of the estimated cost for construction of the DISTRICT DRAINAGE FACILITIES as determined by DISTRICT. The surety, amount and form of the bonds shall be subject to the approval of DISTRICT and CITY. The bonds shall remain in full force and effect until DISTRICT DRAINAGE FACILITIES are accepted by DISTRICT as complete; at which time the faithful performance bond amount may be reduced to ten percent (10%) for a period of one year to guarantee against any defective work, and the Material and Labor security will be released after a period of ninety (90) days if there are no liens against the project for payment of materials or labor.

8. Notify DISTRICT in writing (Attention: Administrative Services Section), at least twenty (20) days prior to the start of construction of DISTRICT DRAINAGE FACILITIES. Construction shall not begin on any element of DISTRICT DRAINAGE FACILITIES for any reason whatsoever, until DISTRICT has issued to DEVELOPERS a written Notice to Proceed authorizing DEVELOPERS to commence construction of DISTRICT DRAINAGE FACILITIES.

9. Grant DISTRICT and CITY, by execution of this Agreement, the right to enter upon DEVELOPERS' property where necessary and convenient for the purpose of gaining

1 access to, and performing inspection service for, the construction of DISTRICT DRAINAGE
2 FACILITIES and APPURTENANCES, respectively, as set forth herein.

3 10. Obtain and provide DISTRICT, at the time of providing written notice to
4 DISTRICT of the start of construction of DISTRICT DRAINAGE FACILITIES as set forth in
5 Section I.8., with duly executed Irrevocable Offers(s) of Dedication to the public for flood
6 control and drainage purposes, including ingress and egress, for the rights of way deemed
7 necessary by DISTRICT for the construction, inspection, operation and maintenance of
8 DISTRICT DRAINAGE FACILITIES, as shown in concept shaded in green on Exhibit "B"
9 attached hereto and made a part hereof. The Irrevocable Offer(s) of Dedication shall be in a
10 form approved by DISTRICT and shall be executed by all legal and equitable owners of the
11 property described in the offer(s).
12

13 11. Furnish DISTRICT, when submitting the Irrevocable Offer(s) of
14 Dedication as set forth in Section I.10., with Preliminary Reports on Title dated not more than
15 thirty (30) days prior to date of submission of all the property described in the Irrevocable
16 Offer(s) of Dedication.
17

18 12. Furnish DISTRICT, at the time of providing written notice to DISTRICT of
19 the start of construction as set forth in Section I.8., with a complete list of all contractors and
20 subcontractors to be performing work on DISTRICT DRAINAGE FACILITIES, including the
21 corresponding license number and license classification of each. At such time, DEVELOPERS
22 shall further identify in writing their designated superintendent for DISTRICT DRAINAGE
23 FACILITIES construction.
24

25 13. Furnish DISTRICT, at the time of providing written notice to DISTRICT of
26 the start of construction as set forth in Section I.8., a construction schedule which shall show the
27 order and dates in which the DEVELOPERS or DEVELOPERS' contractor proposes to carry on
28

1 the various parts of work, including estimated start and completion dates. As construction of
2 DISTRICT DRAINAGE FACILITIES progresses, DEVELOPERS shall update said
3 construction schedule as requested by DISTRICT.

4 14. Furnish DISTRICT with final mylar IMPROVEMENT PLANS and assign
5 their ownership to DISTRICT at the time DISTRICT approves and signs said final mylar
6 IMPROVEMENT PLANS, and prior to the start of DISTRICT DRAINAGE FACILITIES
7 construction.

8
9 15. Not permit any change to or modification of the IMPROVEMENT PLANS
10 without the prior written permission and consent of DISTRICT.

11 16. Comply with all Cal/OSHA safety regulations including regulations
12 concerning confined space and maintain a safe working environment for DEVELOPERS' and
13 DISTRICT employees on the site.

14
15 17. Furnish DISTRICT, at the time of providing written notice to DISTRICT of
16 the start of construction as set forth in Section I.8., with a confined space entry procedure
17 specific to DISTRICT DRAINAGE FACILITIES. The procedure shall comply with
18 requirements contained in California Code of Regulations, Title 8 Section 5158, Other Confined
19 Space Operations, Section 5157, Permit Required Confined Space and DISTRICT Confined
20 Space Procedures, SOM-18. The procedure shall be reviewed and approved by DISTRICT
21 prior to the issuance of a Notice to Proceed.

22
23 18. During the construction period of DISTRICT DRAINAGE FACILITIES,
24 provide Workers' Compensation Insurance in an amount required by law. A certificate of said
25 insurance policy shall be provided to DISTRICT, the County of Riverside and CITY at the time
26 of providing written notice pursuant to Section I.8.

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1 19. Commencing on the date notice is given pursuant to Section I.8. and
2 continuing until DISTRICT accepts DISTRICT DRAINAGE FACILITIES for operation and
3 maintenance:

4 (a) Provide and maintain or cause its contractor(s) to provide and
5 maintain comprehensive liability insurance coverage which shall
6 protect DEVELOPERS from claim from damages for personal
7 injury, including accidental and wrongful death, as well as from
8 claims for property damage which may arise from DEVELOPERS'
9 construction of PROJECT or the performance of its obligations
10 hereunder, whether such construction or performance be by
11 DEVELOPERS, by any of its contractors, subcontractors, or by
12 anyone employed directly or indirectly by any of them. Such
13 insurance shall name DISTRICT, the County of Riverside and CITY
14 as additional insureds with respect to this Agreement and the
15 obligations of DEVELOPERS hereunder. Such insurance shall
16 provide for limits of not less than two million dollars (\$2,000,000)
17 per occurrence.

18
19
20 (b) Cause its insurance carrier(s) or its contractor's insurance carrier(s),
21 who shall be authorized by the California Department of Insurance to
22 transact the business of insurance in the State of California, to furnish
23 DISTRICT, the County of Riverside and CITY, at the time of
24 providing written notice to DISTRICT of the start of construction as
25 set forth in Section I.8., with certificate(s) of insurance and applicable
26 policy endorsements showing that such insurance is in full force and
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effect and that DISTRICT, the County of Riverside and CITY are named as additional insureds with respect to this Agreement and the obligations of DEVELOPERS hereunder. Further, said certificate(s) shall state that the issuing company shall give DISTRICT, the County of Riverside and CITY sixty (60) days written notice in the event of any cancellation, termination, non-renewal or reduction in coverage of the policies evidenced by the certificate(s). In the event of any such cancellation, termination, non-renewal or reduction in coverage, DEVELOPERS shall, forthwith, secure replacement insurance meeting the provisions of this paragraph.

Failure to maintain the insurance required by this paragraph shall be deemed a material breach of this Agreement and shall authorize and constitute authority for DISTRICT, at its sole discretion, to proceed to perform the remaining work pursuant to Section IV.3.

20. Construct or cause to be constructed, PROJECT at DEVELOPERS' sole cost and expense in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.

21. Accept sole responsibility for the adjustment of all DISTRICT DRAINAGE FACILITIES' manhole rings and covers located within DISTRICT EASEMENTS which must be performed at such time(s) that the finished grade along and above the underground portions of DISTRICT DRAINAGE FACILITIES are improved, repaired, replaced or changed. It being further understood and agreed that any such adjustments shall be performed at no cost to DISTRICT.

1 22. Within two (2) weeks of completing PROJECT construction, provide
2 DISTRICT with written notice (Attention: Contract Administration Section) that PROJECT
3 construction is substantially complete and requesting that DISTRICT conduct a final inspection
4 of DISTRICT DRAINAGE FACILITIES.

5 23. Upon completion of PROJECT construction, and upon acceptance by CITY
6 of all street rights of way deemed necessary by DISTRICT and CITY for the operation and
7 maintenance of PROJECT, but prior to DISTRICT acceptance of DISTRICT DRAINAGE
8 FACILITIES for ownership, operation and maintenance, convey, or cause to be conveyed to
9 DISTRICT flood control easement(s), including ingress and egress, in a form approved by
10 DISTRICT, for the rights of way as shown in concept shaded in green on Exhibit "B".

12 24. [This Section Intentionally Left Blank.]

13 25. At the time of recordation of the conveyance document(s) as set forth in
14 Section I.23.(ii), furnish DISTRICT with policies of title insurance, each in the amount of not
15 less than fifty percent (50%) of the estimated fee value, as determined by DISTRICT, for each
16 easement parcel to be conveyed to DISTRICT, guaranteeing DISTRICT'S interest in said
17 property as being free and clear of all liens, encumbrances, assessments, easements, taxes and
18 leases (recorded or unrecorded), except those which, in the sole discretion of DISTRICT, are
19 deemed acceptable.
20

21 26. Accept ownership and sole responsibility for the operation and maintenance
22 of PROJECT until such time as DISTRICT accepts ownership and responsibility for operation
23 and maintenance of DISTRICT DRAINAGE FACILITIES and CITY accepts ownership and
24 responsibility for operation and maintenance of APPURTENANCES. Further, it is mutually
25 understood by the parties hereto that prior to DISTRICT acceptance of ownership and
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1 responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES,
2 PROJECT shall be in a satisfactorily maintained condition as solely determined by DISTRICT.

3 27. Pay, if suit is brought upon this Agreement or any bond guaranteeing the
4 completion of DISTRICT DRAINAGE FACILITIES, all costs and reasonable expenses and
5 fees, including reasonable attorneys' fees, and acknowledge that, upon entry of judgment, all
6 such costs, expenses and fees shall be computed as costs and included in any judgment
7 rendered.
8

9 28. Upon completion of construction of PROJECT, but prior to DISTRICT
10 acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance,
11 DEVELOPERS' civil engineer of record or construction civil engineer of record, duly registered
12 in the State of California, shall provide DISTRICT a redlined "record drawing" copy of
13 IMPROVEMENT PLANS. After DISTRICT approval of the redlined "record drawing"
14 drawings, DEVELOPERS' engineer shall schedule with DISTRICT a time to transfer the
15 redlined changes onto DISTRICT'S original mylars at DISTRICT'S office, after which the
16 engineer shall review, stamp and sign the original IMPROVEMENT PLANS "RECORD
17 DRAWING".
18

19 29. Ensure that all work performed pursuant to this Agreement by
20 DEVELOPERS, their agents or contractors is done in accordance with all applicable laws and
21 regulations, including but not limited to all applicable provisions of the Labor Code, Business
22 and Professions Code, and Water Code. DEVELOPERS shall be solely responsible for all costs
23 associated with compliance with applicable laws and regulations.
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SECTION II

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DISTRICT shall:

- 1. Review and approve IMPROVEMENT PLANS prior to the start of DISTRICT DRAINAGE FACILITIES construction.
- 2. Provide CITY an opportunity to review and approve IMPROVEMENT PLANS prior to DISTRICT'S final approval.
- 3. Upon execution of this Agreement, record or cause to be recorded, a copy of this Agreement in the Official Records of the Riverside County Recorder.
- 4. Record or cause to be recorded, the Irrevocable Offer(s) of Dedication provided by DEVELOPERS pursuant to Section I.10.
- 5. Inspect DISTRICT DRAINAGE FACILITIES construction.
- 6. Keep an accurate accounting of all DISTRICT costs associated with the review and approval of IMPROVEMENT PLANS, the review and approval of right of way and conveyance documents and the processing and administration of this Agreement.
- 7. Keep an accurate accounting of all DISTRICT construction inspection costs, and within forty-five (45) days after DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES as being complete, submit a final cost statement to DEVELOPERS. If the deposit, as set forth in Section I.3. exceeds such costs, DISTRICT shall reimburse DEVELOPERS the excess amount within sixty (60) days after DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES as being complete. If at any time the costs exceed the deposit or are anticipated by DISTRICT to exceed the deposit, DEVELOPERS shall pay such additional amount(s), as deemed reasonably necessary by DISTRICT to complete inspection of DISTRICT DRAINAGE FACILITIES, within thirty (30) days after receipt of billing from DISTRICT.

1 DISTRICT DRAINAGE FACILITIES. It is expressly understood that since time is of the
2 essence in this Agreement, failure of DEVELOPERS to perform the work within the agreed
3 upon time shall constitute authority for DISTRICT to perform the remaining work and require
4 DEVELOPERS' surety to pay to CITY the penal sum of any and all bonds. In which case,
5 CITY shall subsequently reimburse DISTRICT for DISTRICT costs incurred.

6 4. DEVELOPERS shall not request DISTRICT to accept any portion or
7 portions of DISTRICT DRAINAGE FACILITIES or CITY to accept any portion or portions of
8 APPURTENANCES prior to the completion of PROJECT construction.
9

10 5. DISTRICT shall endeavor to issue DEVELOPERS a Notice to Proceed
11 within twenty (20) days of receipt of DEVELOPERS' complete written notice as set forth in
12 Section I.8.; however, DISTRICT'S construction inspection staff is limited and, therefore, the
13 issuance of a Notice to Proceed is subject to staff availability.

14 In the event DEVELOPERS wish to expedite issuance of a Notice to
15 Proceed, DEVELOPERS may elect to furnish an independent qualified construction inspector at
16 DEVELOPERS' sole cost and expense. DEVELOPERS shall furnish appropriate
17 documentation of the individual's credentials and experience to DISTRICT for review and, if
18 appropriate, approval. DISTRICT shall review the individual's qualifications and experience
19 and, upon approval thereof, said individual, hereinafter called "DEPUTY INSPECTOR", shall
20 be authorized to act on DISTRICT'S behalf on all DISTRICT DRAINAGE FACILITIES
21 construction and quality control matters. If DEVELOPERS' initial construction inspection
22 deposit furnished pursuant to Section I.3. exceeds ten thousand dollars (\$10,000.00), DISTRICT
23 shall refund to DEVELOPERS up to eighty percent (80%) of DEVELOPERS' initial inspection
24 deposit within forty-five (45) days of DISTRICT'S approval of DEPUTY INSPECTOR;
25 however, a minimum balance of ten thousand dollars (\$10,000.00) shall be retained on account.
26
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1 6. DISTRICT DRAINAGE FACILITIES construction work shall be on a five
2 (5) day, forty (40) hour work week with no work on Saturdays, Sundays or DISTRICT
3 designated legal holidays, unless otherwise approved in writing by DISTRICT. If
4 DEVELOPERS feel it necessary to work more than the normal forty (40) hour work week or on
5 holidays, DEVELOPERS shall make a written request for permission from DISTRICT to work
6 the additional hours. The request shall be submitted to DISTRICT at least seventy-two (72)
7 hours prior to the requested additional work hours and state the reasons for the overtime and the
8 specific time frames required. The decision of granting permission for overtime work shall be
9 made by DISTRICT at its sole discretion and shall be final. If permission is granted by
10 DISTRICT, DEVELOPERS will be charged the cost incurred at the overtime rates for
11 additional inspection time required in connection with the overtime work in accordance with
12 Ordinance Nos. 671 and 749, including any amendments thereto, of the County of Riverside.

14 7. DEVELOPERS shall indemnify and hold harmless DISTRICT and CITY
15 (including their agencies, districts, special districts and departments, their respective directors,
16 officers, Board of Supervisors, elected and appointed officials, employees, agents and
17 representatives) from any liability, claim, damage, proceeding or action, present or future, based
18 upon, arising out of or in any way relating to DEVELOPERS' (including its officers, employees,
19 subcontractors and agents) actual or alleged acts or omissions related to this Agreement,
20 performance under this Agreement, or failure to comply with the requirements of this
21 Agreement, including but not limited to: (a) property damage; (b) bodily injury or death; (c)
22 liability or damage pursuant to Article I, Section 19 of the California Constitution, the Fifth
23 Amendment of the United States Constitution or any other law, ordinance or regulation caused
24 by the diversion of waters from the natural drainage patterns or the discharge of drainage within
25 or from PROJECT; or (d) any other element of any kind or nature whatsoever.

1 DEVELOPER shall defend, at its sole expense, including all costs and fees
2 (including but not limited to attorney fees, cost of investigation, defense and settlements or
3 awards), DISTRICT and CITY (including their agencies, districts, special districts and
4 departments, their respective directors, officers, Board of Supervisors, elected and appointed
5 officials, employees, agents and representatives) in any claim, proceeding or action for which
6 indemnification is required.

7
8 With respect to any of DEVELOPERS' indemnification requirements, DEVELOPERS
9 shall, at its sole cost, have the right to use counsel of their own choice and shall have the right to
10 adjust, settle or compromise any such claim, proceeding or action without the prior consent of
11 DISTRICT and CITY; provided, however, that any such adjustment, settlement or compromise
12 in no manner whatsoever limits or circumscribes DEVELOPERS' indemnification obligations
13 to DISTRICT or CITY.

14 DEVELOPERS' indemnification obligations shall be satisfied when DEVELOPERS
15 have provided to DISTRICT and CITY the appropriate form of dismissal (or similar document)
16 relieving DISTRICT or CITY from any liability for the claim, proceeding or action involved.

17
18 The specified insurance limits required in this Agreement shall in no way limit or
19 circumscribe DEVELOPERS' obligations to indemnify and hold harmless DISTRICT and
20 CITY from third party claims.

21 In the event there is conflict between this section and California Civil Code Section
22 2782, this section shall be interpreted to comply with Civil Code 2782. Such interpretation shall
23 not relieve the DEVELOPERS from indemnifying DISTRICT or CITY to the fullest extent
24 allowed by law.

25
26 8. Any waiver by DISTRICT or by CITY of any breach of any one or more of
27 the terms of this Agreement shall not be construed to be a waiver of any subsequent or other
28

1 breach of the same or of any other term hereof. Failure on the part of DISTRICT or CITY to
2 require exact, full and complete compliance with any terms of this Agreement shall not be
3 construed as in any manner changing the terms hereof, or estopping DISTRICT or CITY from
4 enforcement hereof.

5 9. DISTRICT and CITY each pledge to cooperate in regard to the operation
6 and maintenance of their respective facilities as set forth herein and to discharge their respective
7 maintenance responsibilities in an expeditious fashion so as to avoid the creation of any
8 nuisance condition or undue maintenance impact upon the others' facilities.
9

10 10. This Agreement is to be construed in accordance with the laws of the State
11 of California.

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

14 RIVERSIDE COUNTY FLOOD CONTROL
15 AND WATER CONSERVATION DISTRICT
16 1995 Market Street
17 Riverside, CA 92501
18 Attn: Administrative Services

CITY OF MORENO VALLEY
Post Office Box 88005
Moreno Valley, CA 92552-0805
Attn: Public Works Director

19 HF LOGISTICS-SKX T1, LLC
20 14225 CORPORATE WAY
21 MORENO VALLEY CA 92553
22 Attn: Brian Hixson

HF LOGISTICS-SKX T2, LLC
14225 CORPORATE WAY
MORENO VALLEY CA 92553
Attn: Brian Hixson

23 12. Any action at law or in equity brought by any of the parties hereto for the
24 purpose of enforcing a right or rights provided for by the Agreement, shall be tried in a court of
25 competent jurisdiction in the County of Riverside, State of California, and the parties hereto
26 waive all provisions of law providing for a change of venue in such proceedings to any other
27 county.
28

1 13. This Agreement is the result of negotiations between the parties hereto, and
2 the advice and assistance of their respective counsel. The fact that this Agreement was prepared
3 as a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty
4 or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT
5 prepared this Agreement in its final form.

6 14. The rights and obligations of DEVELOPERS shall inure to and be binding
7 upon all heirs, successors and assignees.

8 15. DEVELOPERS shall not assign or otherwise transfer any of its rights,
9 duties or obligations hereunder to any person or entity without the written consent of the other
10 parties hereto being first obtained. In the event of any such transfer or assignment,
11 DEVELOPERS expressly understand and agree that they shall remain liable with respect to any
12 and all of the obligations and duties contained in this Agreement.

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

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

23 //

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

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(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

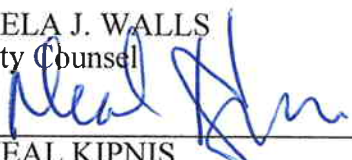
**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By _____
WARREN D. WILLIAMS
General Manager-Chief Engineer

By _____
MARION ASHLEY, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

PAMELA J. WALLS
County Counsel
By 
NEAL KIPNIS
Deputy County Counsel

KECIA HARPER-IHEM
Clerk of the Board
By _____
Deputy

(SEAL)

Cooperative Agreement: TR 35629
KEC:blj
5/20/10

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RECOMMENDED FOR APPROVAL:

CITY OF MORENO VALLEY

By _____
Public Works Director/City Engineer

By _____
Mayor

APPROVED AS TO FORM:

ATTEST:

By _____
City Attorney

City Clerk
By _____

(SEAL)


Cooperative Agreement: PM 35629
Moreno MDP Line F, Stage 3, Moreno MDP Line D, Moreno MDP Line D-5
Moreno MDP Line D-6, and Moreno – Line F Sinclair Street Storm Drain
Project Nos. 4-0-00752-03, 4-0-00749, 4-0-00741, 4-0-00742, 4-0-00743
KEC:blj
5/20/10

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HIGHLAND FAIRVIEW PARTNERS I
a California general partnership

By 
IDDO BENZEEVI, President

HIGHLAND FAIRVIEW PARTNERS II
a California general partnership

By 
IDDO BENZEEVI, President

HIGHLAND FAIRVIEW PARTNERS III
a California general partnership

By 
IDDO BENZEEVI, President

HIGHLAND FAIRVIEW PARTNERS IV
a California general partnership

By 
IDDO BENZEEVI, President

(ATTACH NOTARY WITH
CAPACITY STATEMENT)

Cooperative Agreement: PM 35629
Moreno MDP Line F, Stage 3, Moreno MDP Line D, Moreno MDP Line D-5
Moreno MDP Line D-6, and Moreno – Line F Sinclair Street Storm Drain
Project Nos. 4-0-00752-03, 4-0-00749, 4-0-00741, 4-0-00742, 4-0-00743
KEC:blj
5/20/10

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

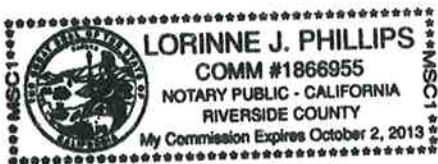
On 6.1.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Iddo Benzeevi
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: COOPERATIVE AGREEMENT
 Document Date: 6.1.10 Number of Pages: 2-3+ EXH. A (11) EXH. B (8)

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: IDDO BENZEEVI Signer's Name: _____

Corporate Officer — Title(s): PRES. & CEO Corporate Officer — Title(s): _____

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

RIGHT THUMBPRINT OF SIGNER
 Top of thumb here

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

RIGHT THUMBPRINT OF SIGNER
 Top of thumb here

Signer Is Representing: _____

Signer Is Representing: _____

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HF LOGISTICS-SKX T1, LLC
a Delaware limited liability company

By: HF LOGISTICS-SKX, LLC
a Delaware limited liability company,
its Sole Member

By: HF Logistics I, LLC
a Delaware limited liability company,
its Managing Member

By: 
IDDO BENZEEVI, President and Chief
Executive Officer

HF LOGISTICS-SKX T2, LLC
a Delaware limited liability company

By: HF LOGISTICS-SKX, LLC,
a Delaware limited liability company,
its Sole Member

By: HF Logistics I, LLC
a Delaware limited liability company,
its Managing Member

By: 
IDDO BENZEEVI, President and Chief
Executive Officer

(ATTACH NOTARY WITH
CAPACITY STATEMENT)

Cooperative Agreement: PM 35629
Moreno MDP Line F, Stage 3, Moreno MDP Line D, Moreno MDP Line D-5
Moreno MDP Line D-6, and Moreno – Line F Sinclair Street Storm Drain
Project Nos. 4-0-00752-03, 4-0-00749, 4-0-00741, 4-0-00742, 4-0-00743
KEC:blj
5/20/10

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside

On 6.1.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Iddo Benzeevi
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

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Capacity(ies) Claimed by Signer(s)

Signer's Name: IDDO BENZEEVI Signer's Name: _____

Corporate Officer — Title(s): PRES. & CEO Corporate Officer — Title(s): _____

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

RIGHT THUMBPRINT OF SIGNER
 Top of thumb here

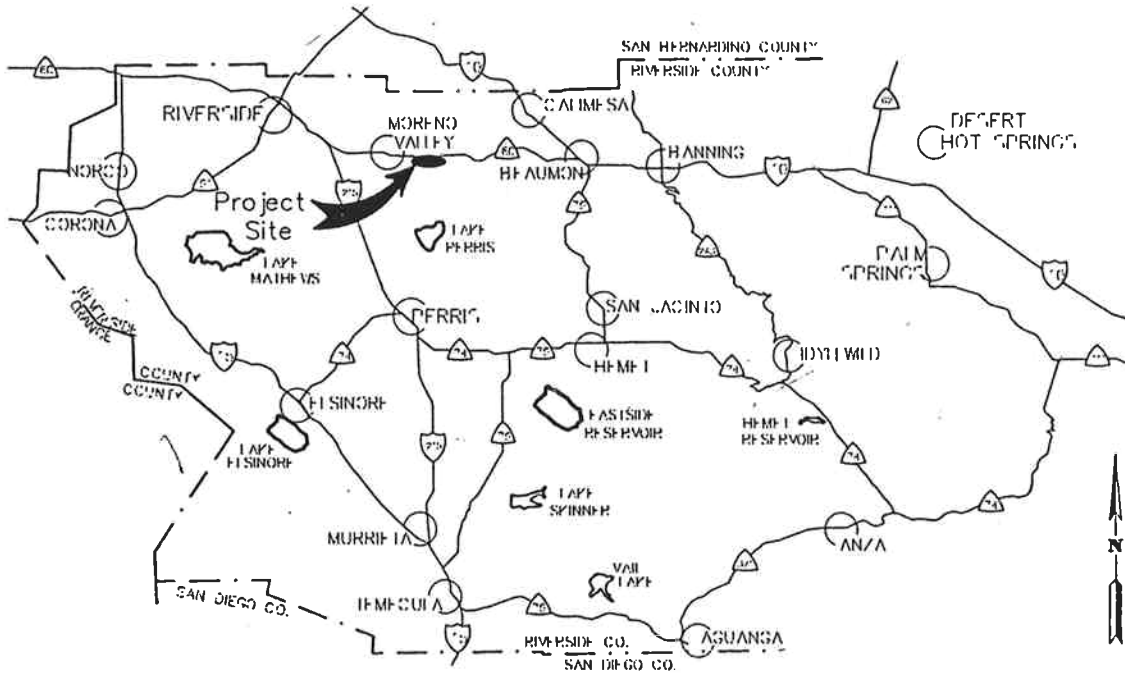
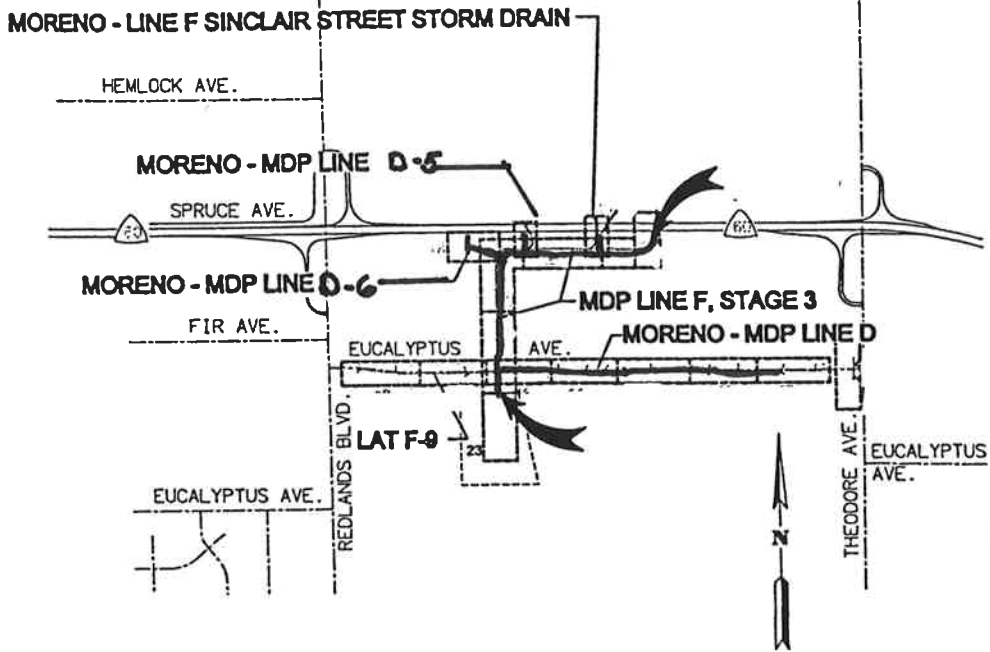
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
 Top of thumb here

Signer Is Representing: _____

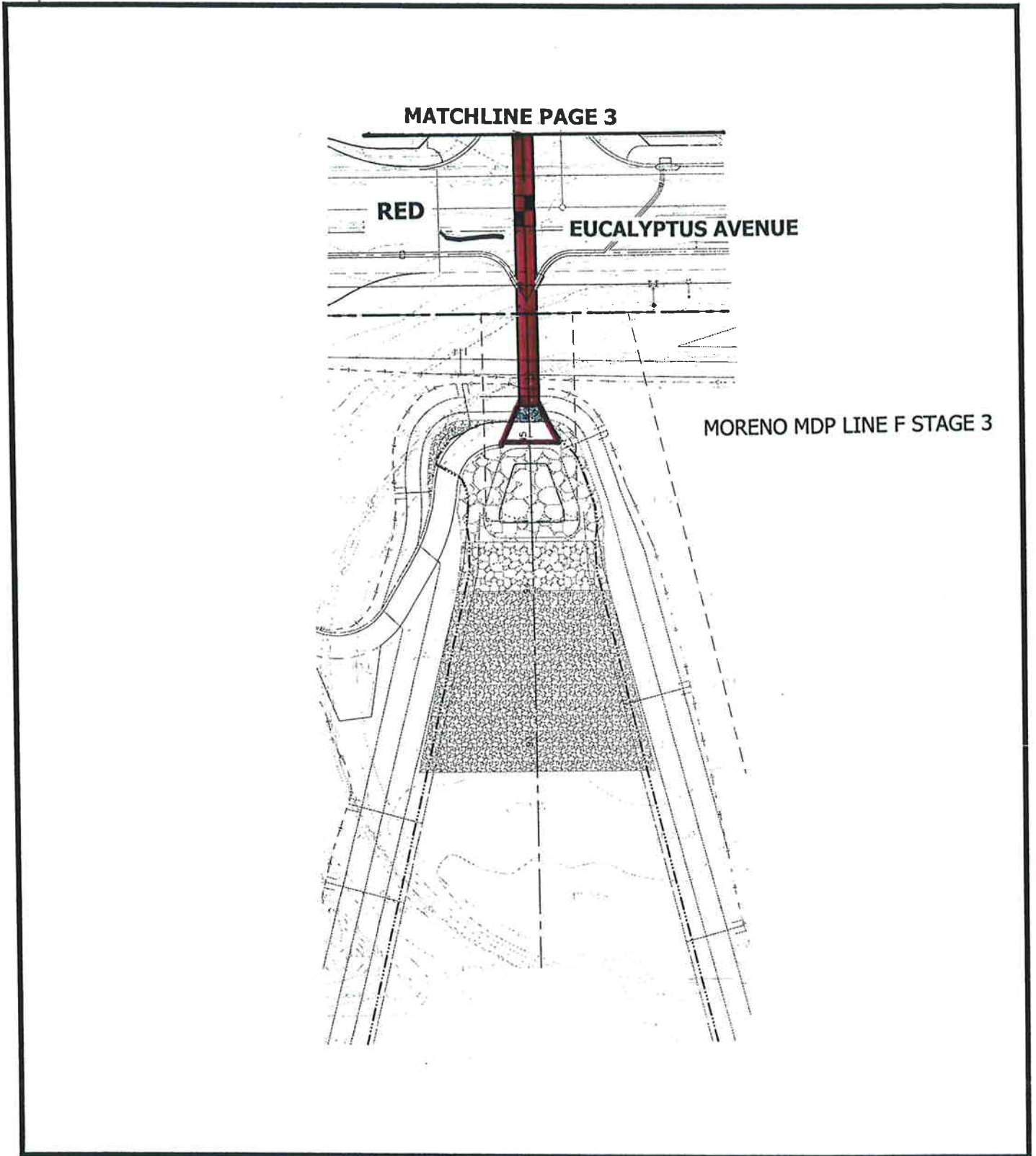
Signer Is Representing: _____

Exhibit A



Cooperative Agreement
 Parcel Map 35629
 Project Numbers: 4-0-00752-03, 4-0-00749,
 4-0-00741, 4-0-00742, 4-0-00743

Exhibit A



Cooperative Agreement
Parcel Map 35629

Project Numbers: 4-0-00752-03, 4-0-00749,
4-0-00741, 4-0-00742, 4-0-00743

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-380-

Exhibit A

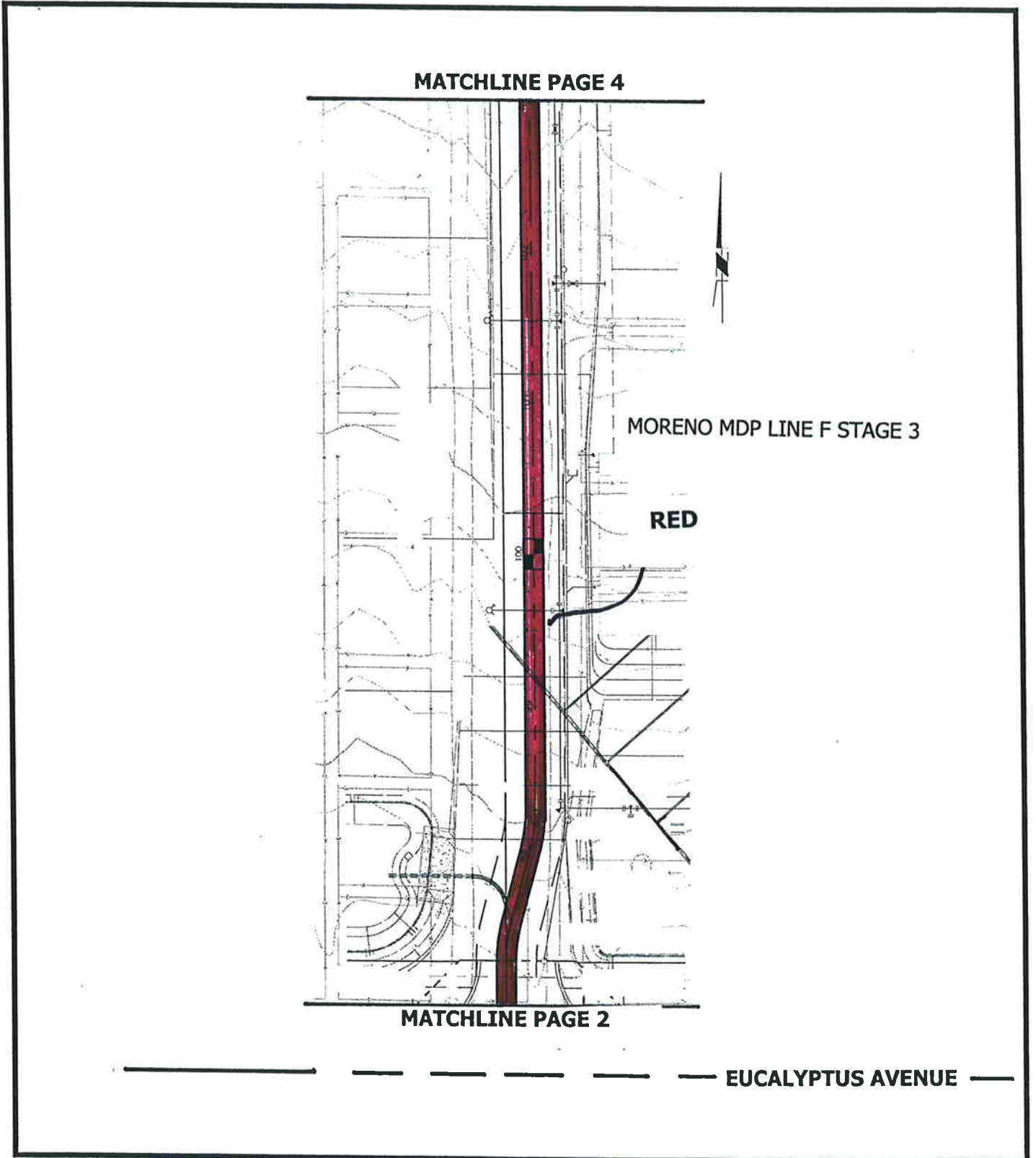


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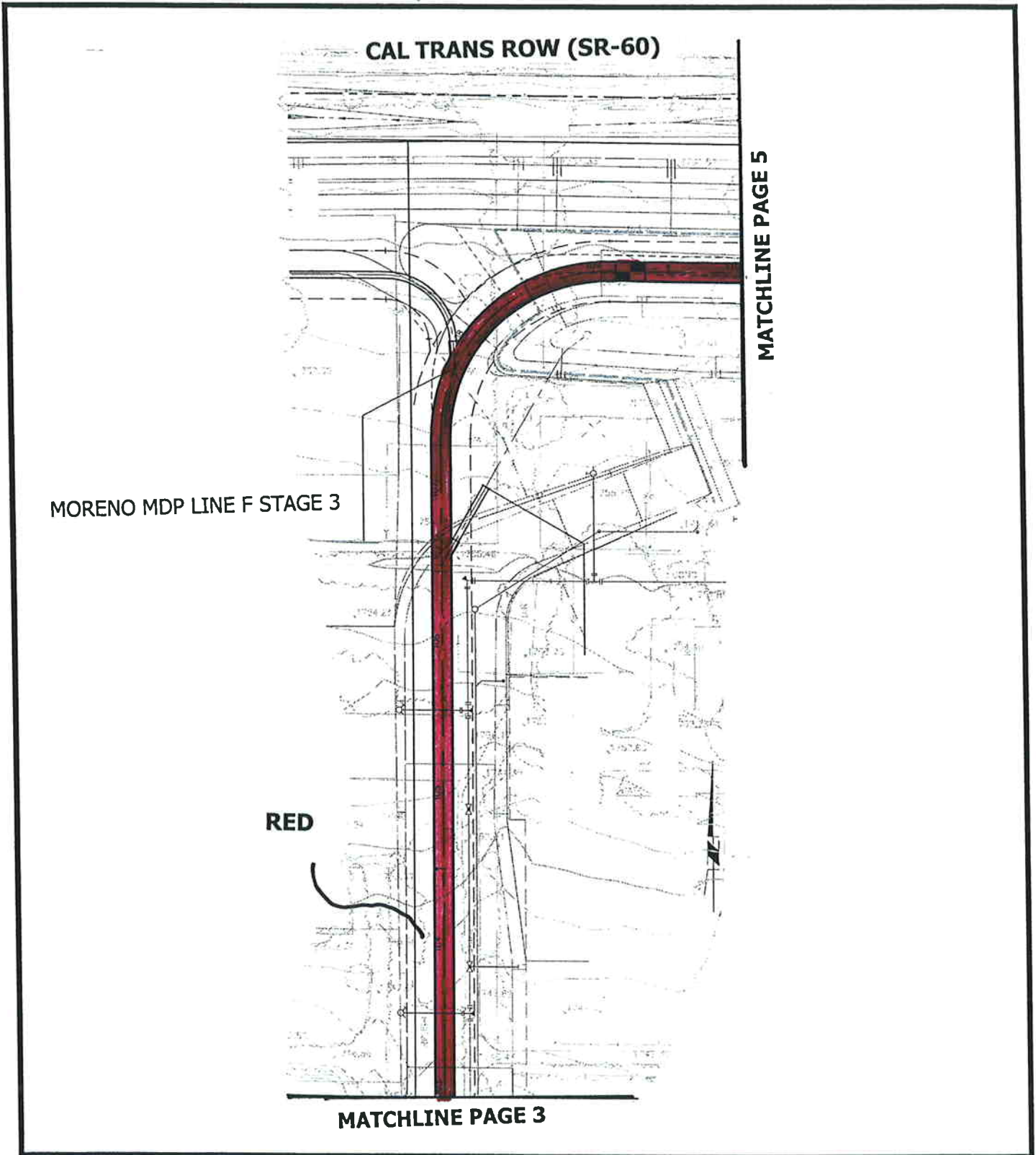
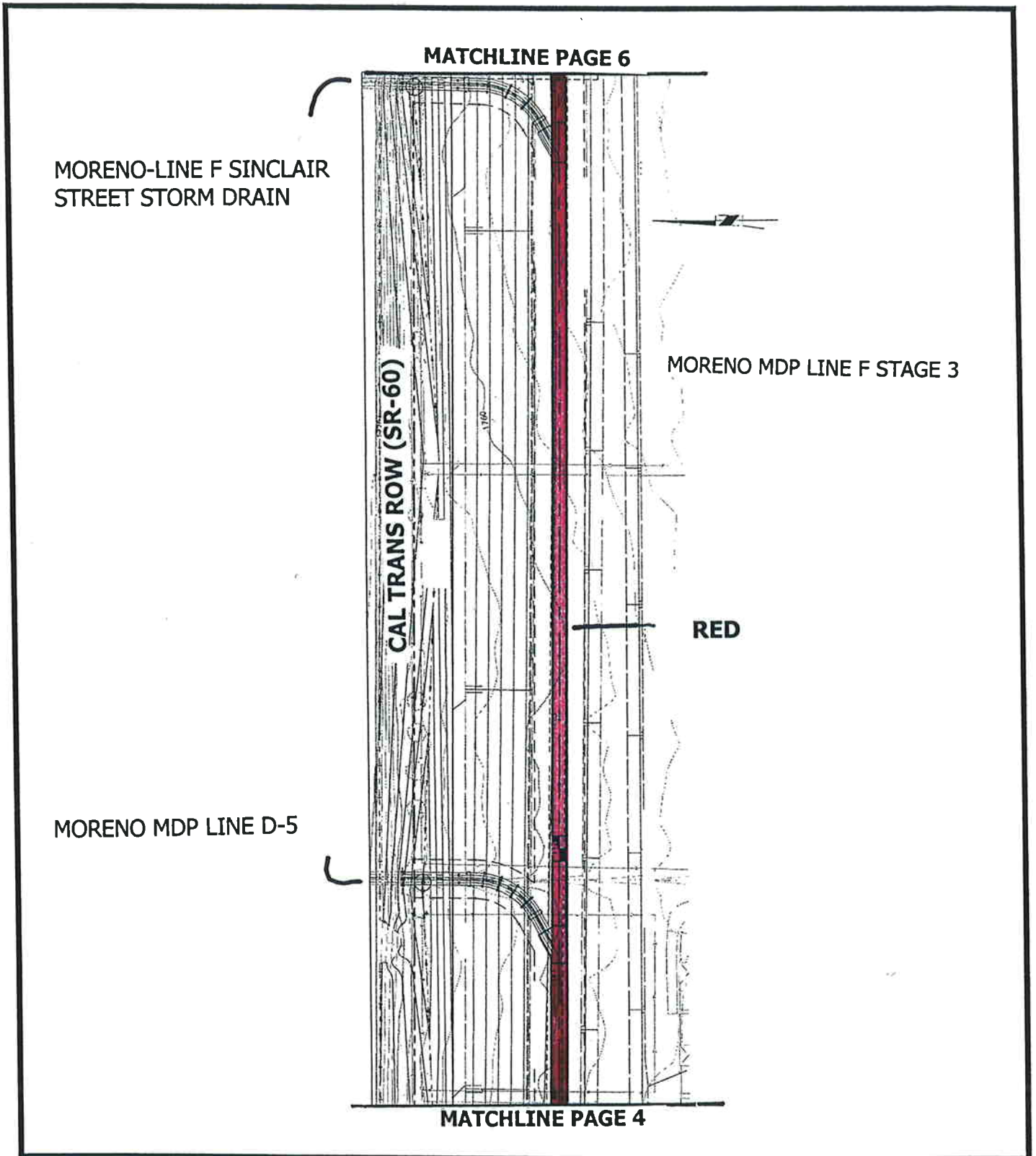
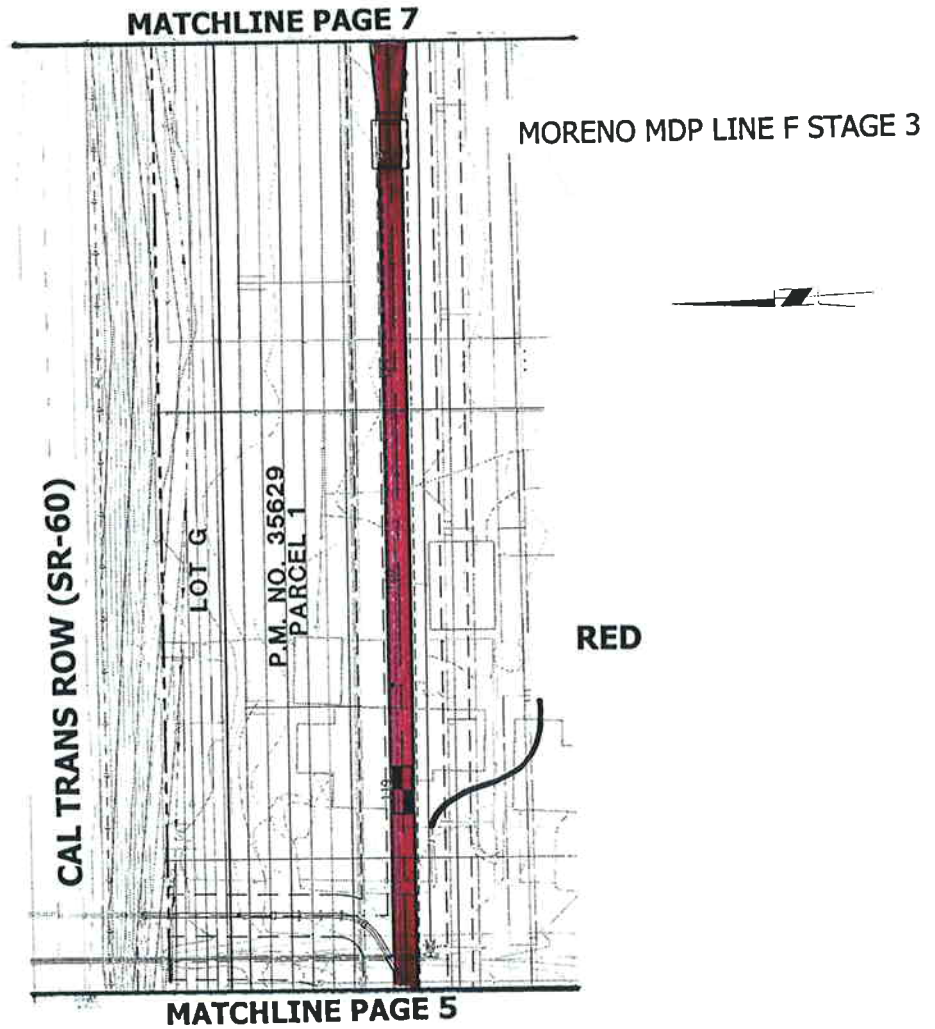


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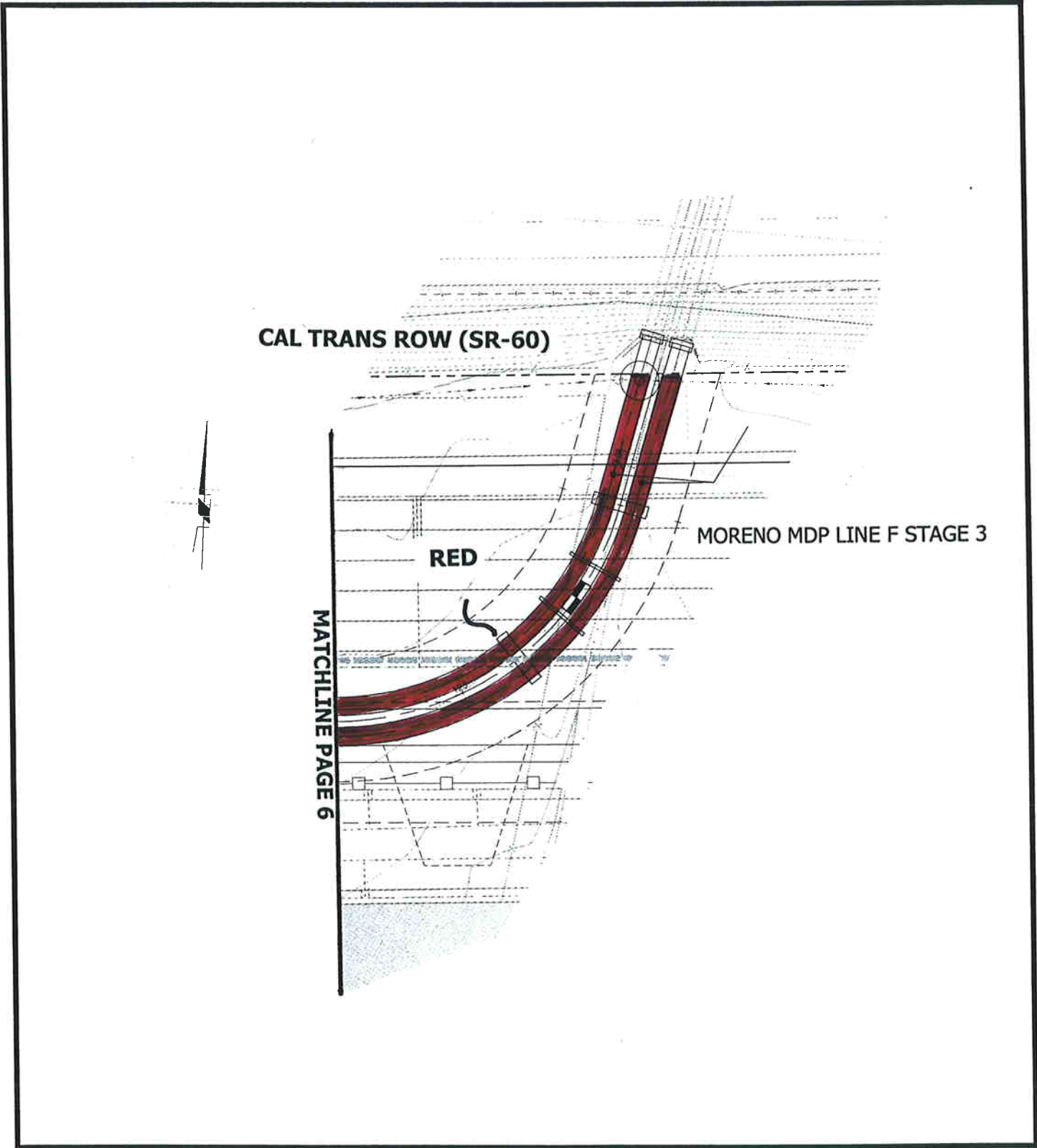
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Parcel Map 35629
Project Numbers: 4-0-00752-03, 4-0-00749,
4-0-00741, 4-0-00742, 4-0-00743

Exhibit A



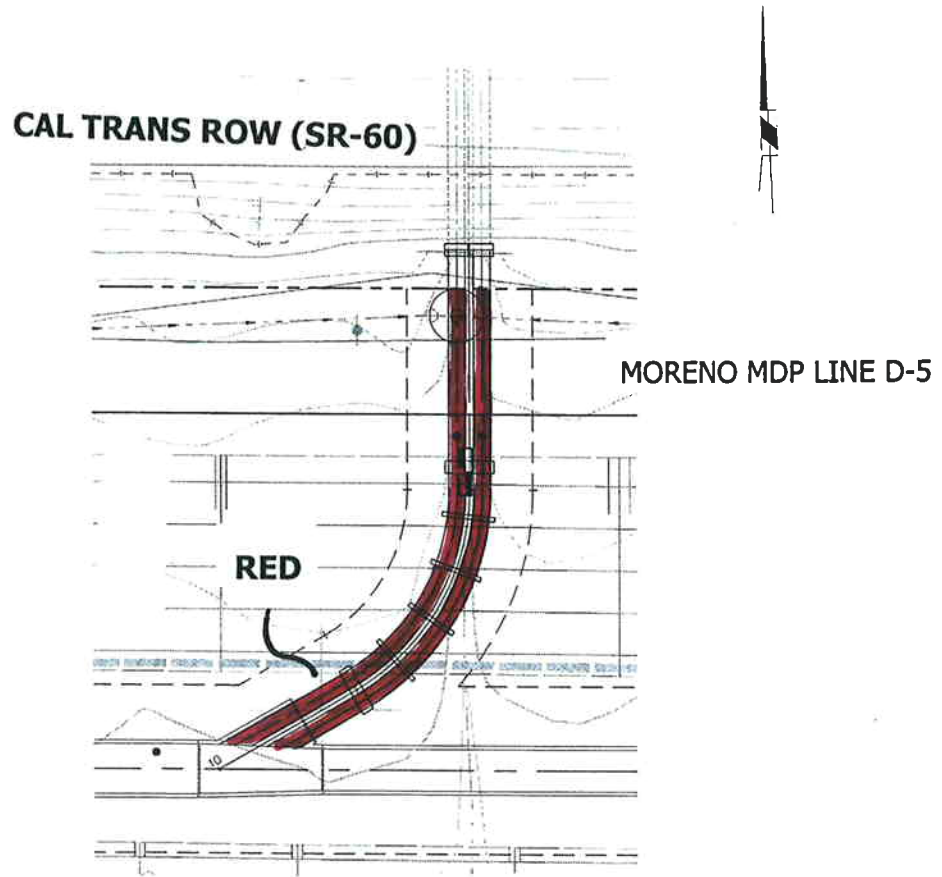
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Project Numbers: 4-0-00752-03, 4-0-00749,
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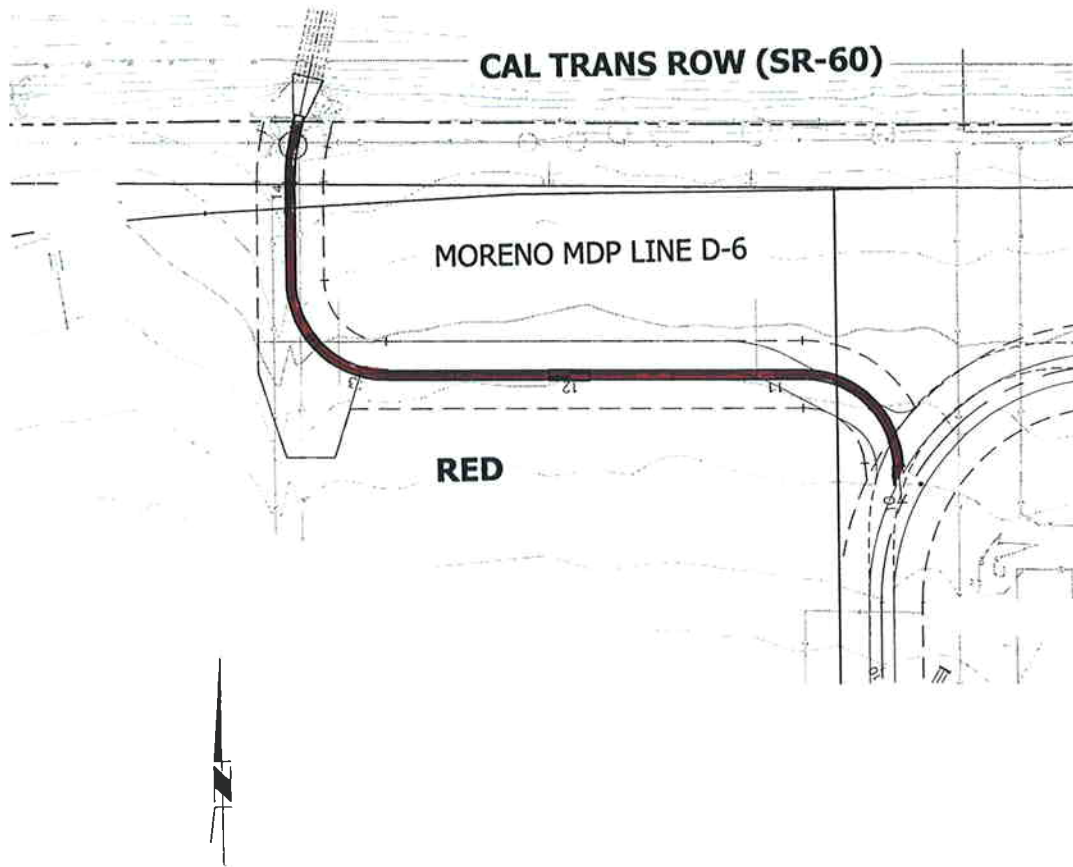
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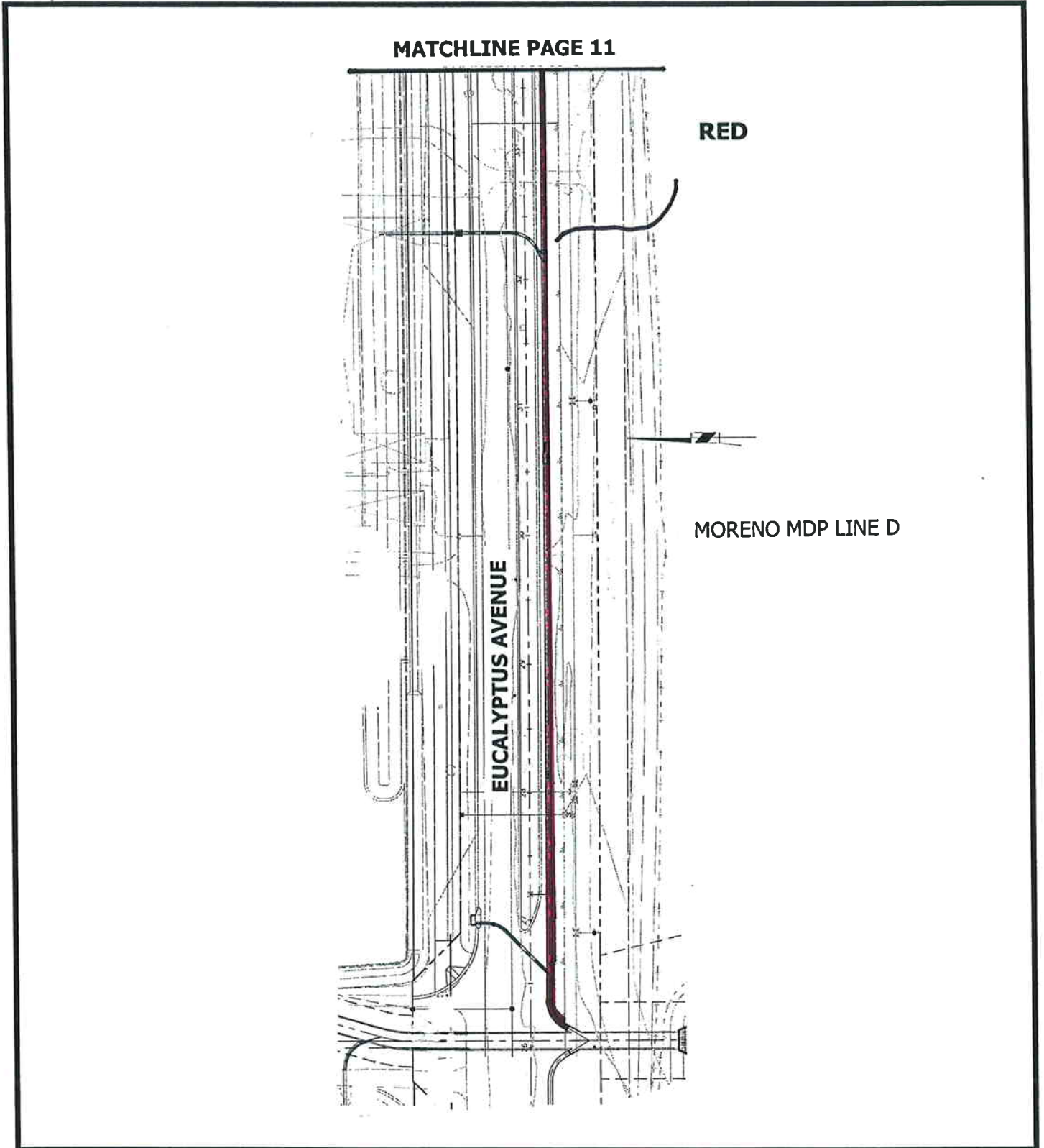
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Exhibit A



Cooperative Agreement
Parcel Map 35629
Project Numbers: 4-0-00752-03, 4-0-00749,
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Exhibit A



Cooperative Agreement

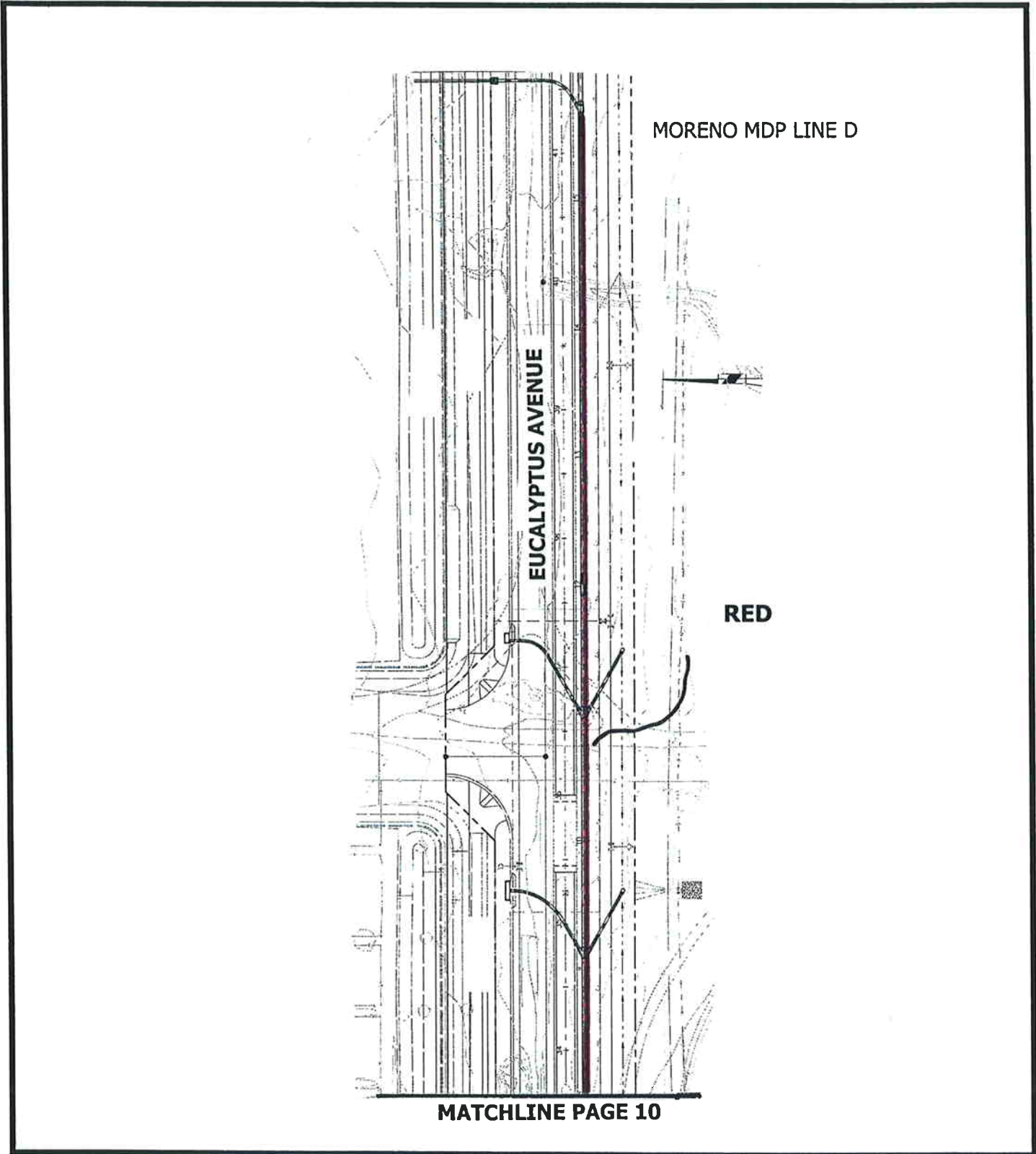
Parcel Map 35629

Project Numbers: 4-0-00752-03, 4-0-00749,
4-0-00741, 4-0-00742, 4-0-00743

10 of 11

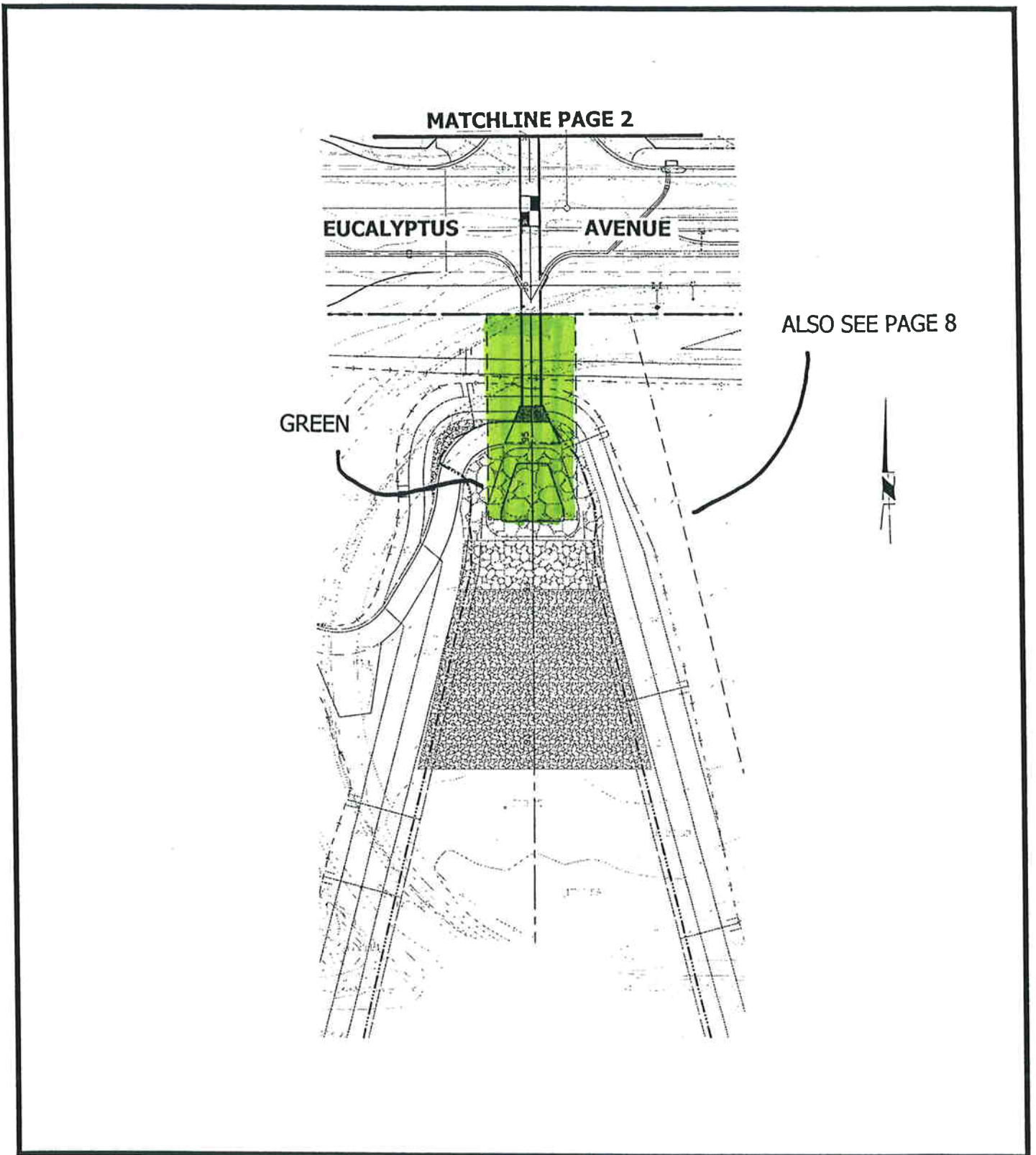
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Exhibit A



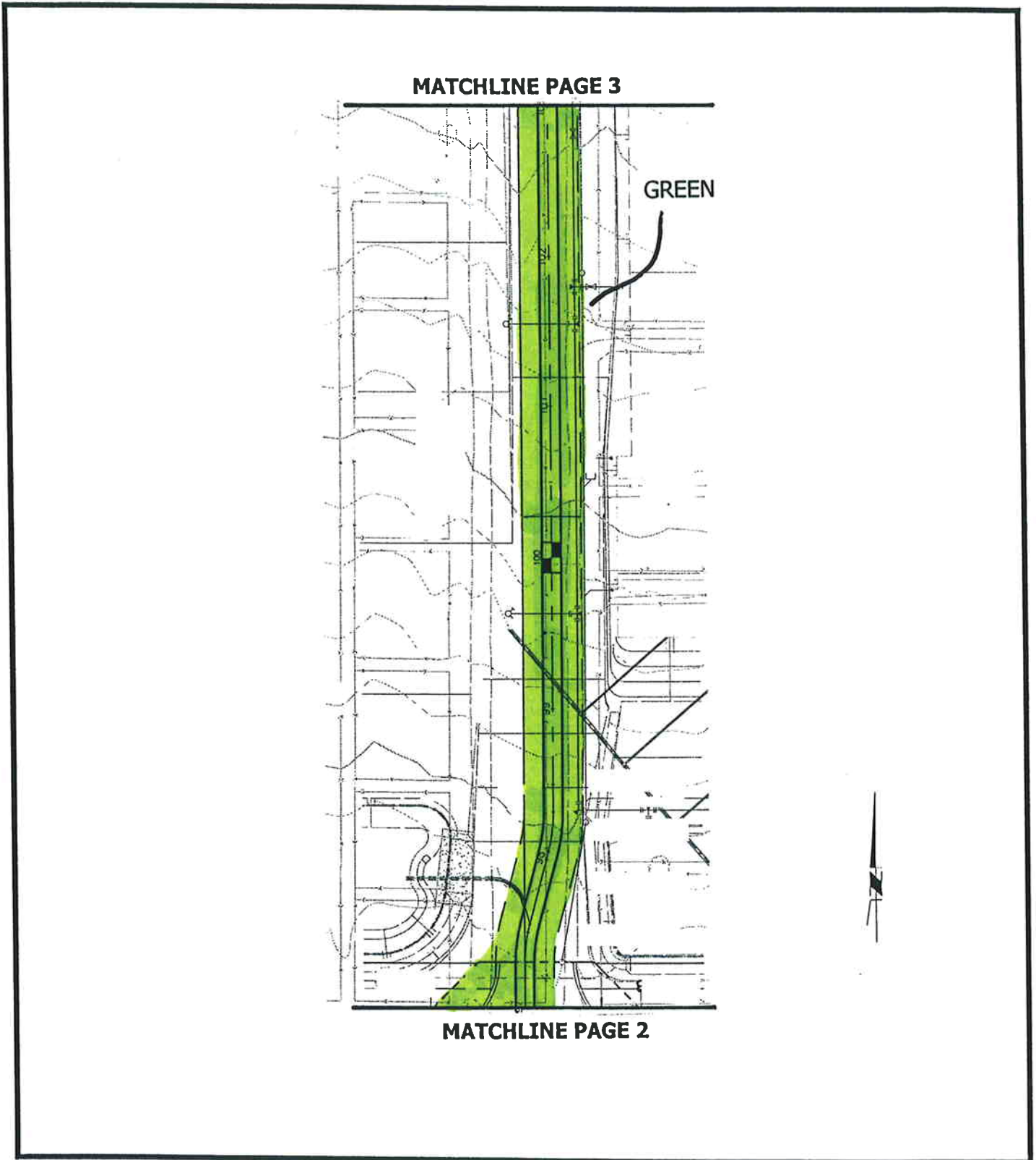
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Project Numbers: 4-0-00752-03, 4-0-00749,
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Exhibit B



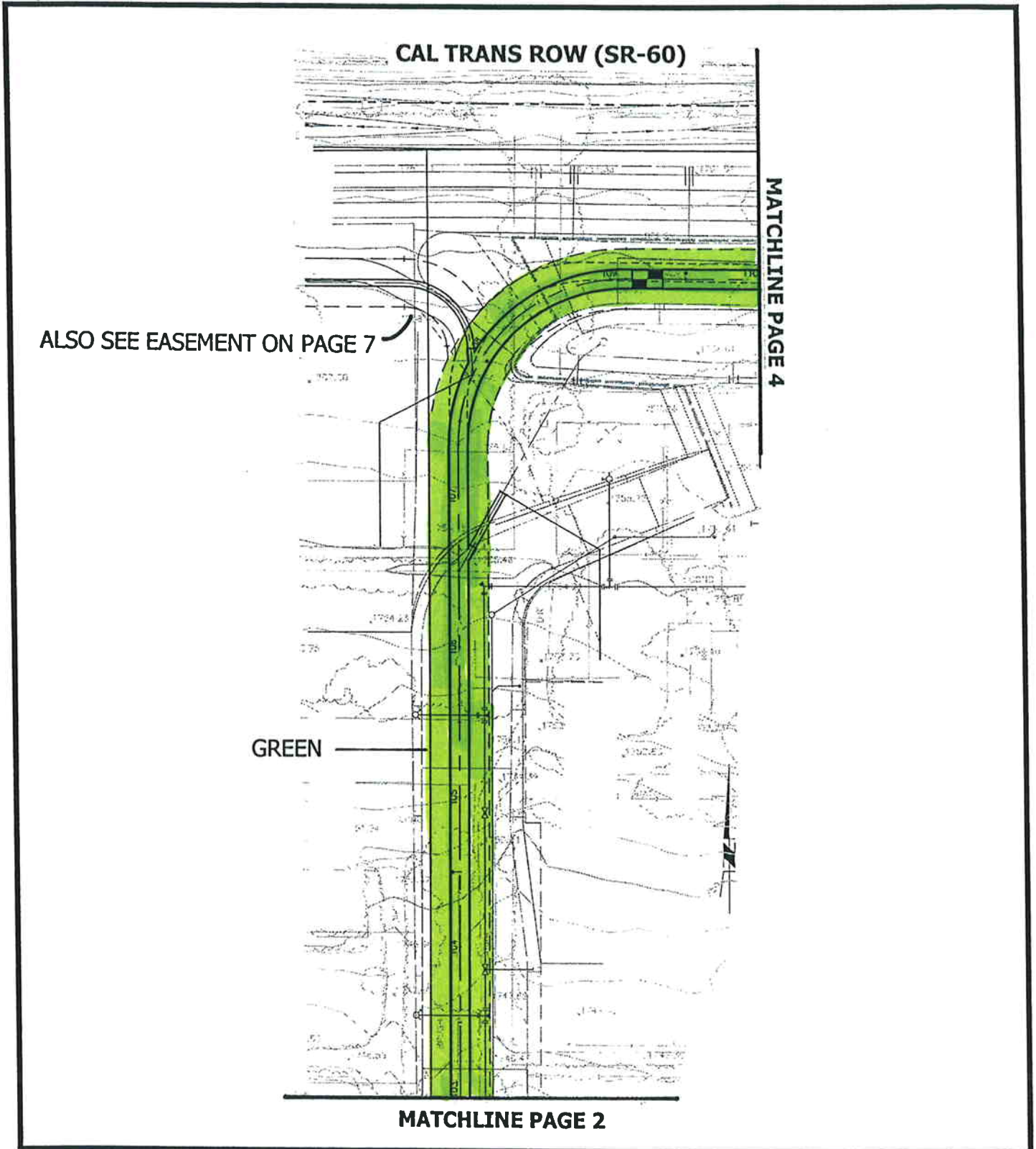
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Exhibit B



Cooperative Agreement
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Project Numbers: 4-0-00752-03, 4-0-00749,
4-0-00741, 4-0-00742, 4-0-00743

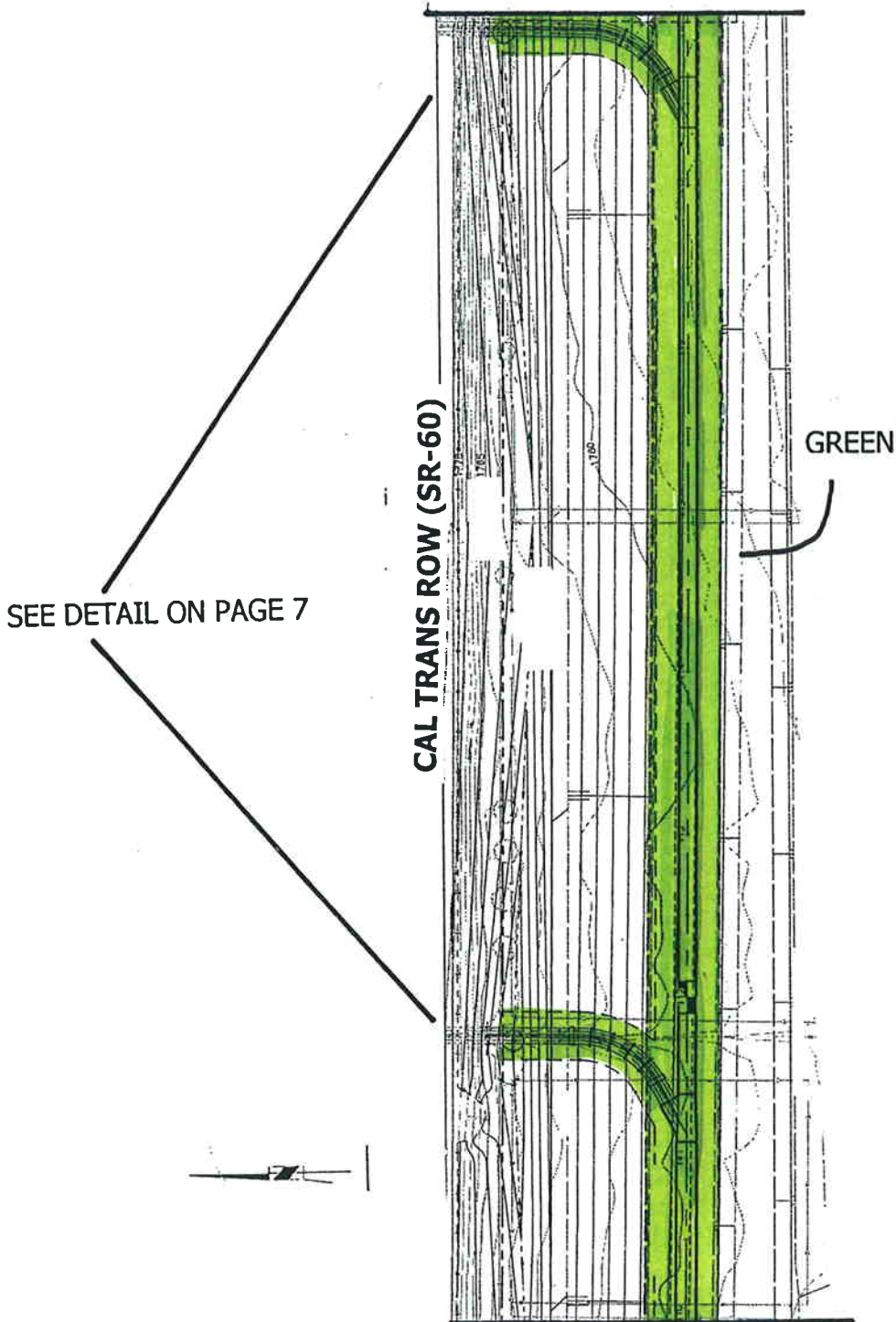
Exhibit B



Cooperative Agreement
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4-0-00741, 4-0-00742, 4-0-00743

Exhibit B

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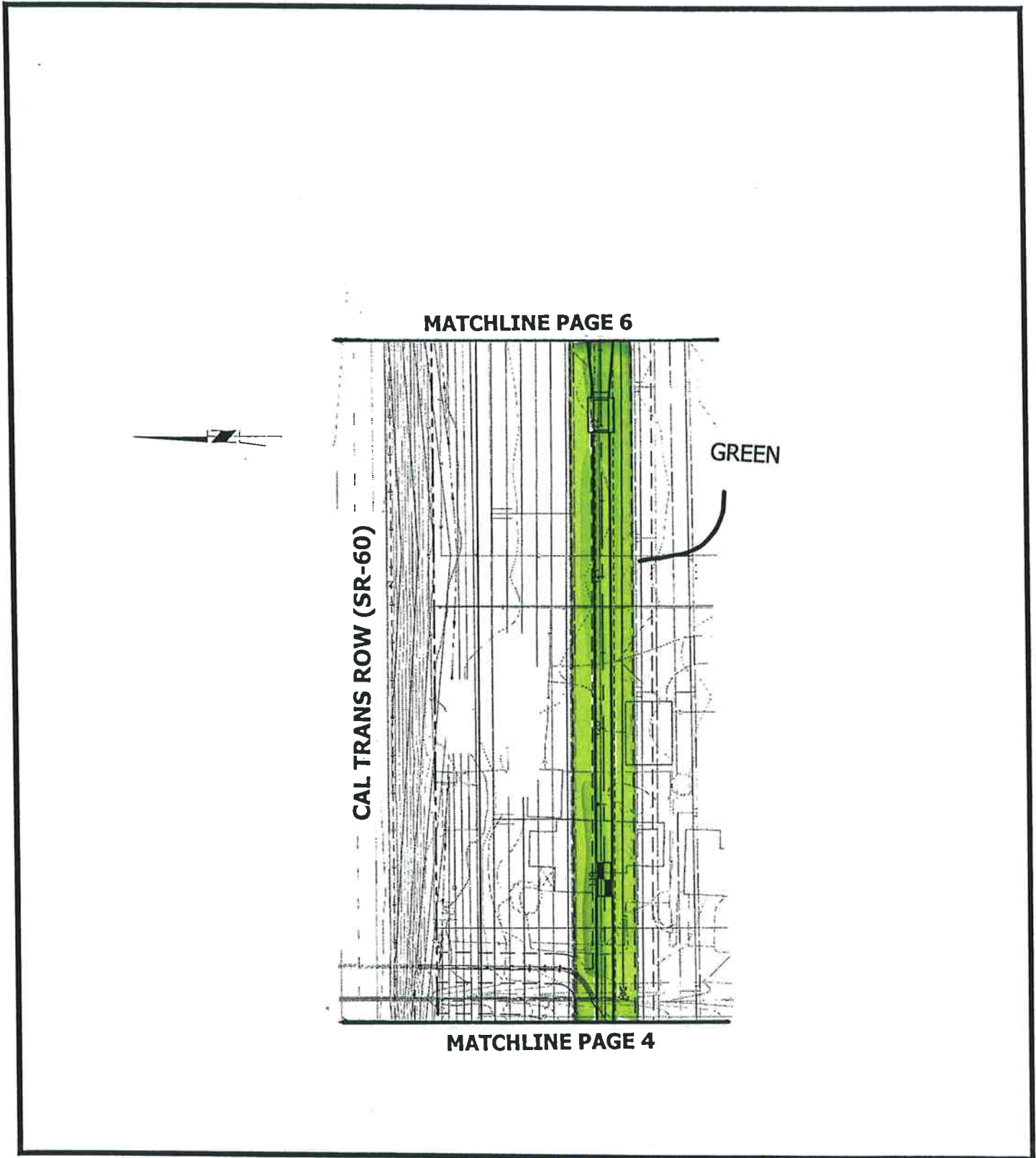
Cooperative Agreement
Parcel Map 35629

Project Numbers: 4-0-00752-03, 4-0-00749,
4-0-00741, 4-0-00742, 4-0-00743

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Item No. A.14

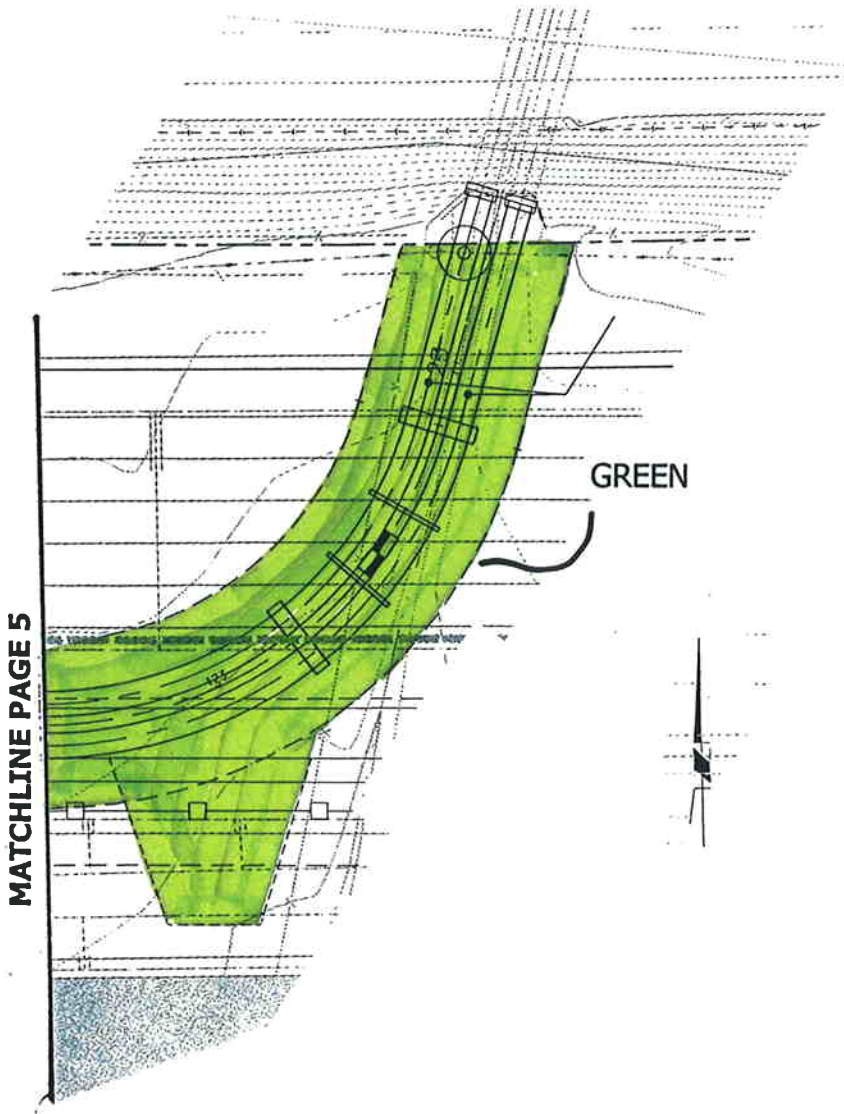
Exhibit B



Cooperative Agreement
Parcel Map 35629
Project Numbers: 4-0-00752-03, 4-0-00749,
4-0-00741, 4-0-00742, 4-0-00743

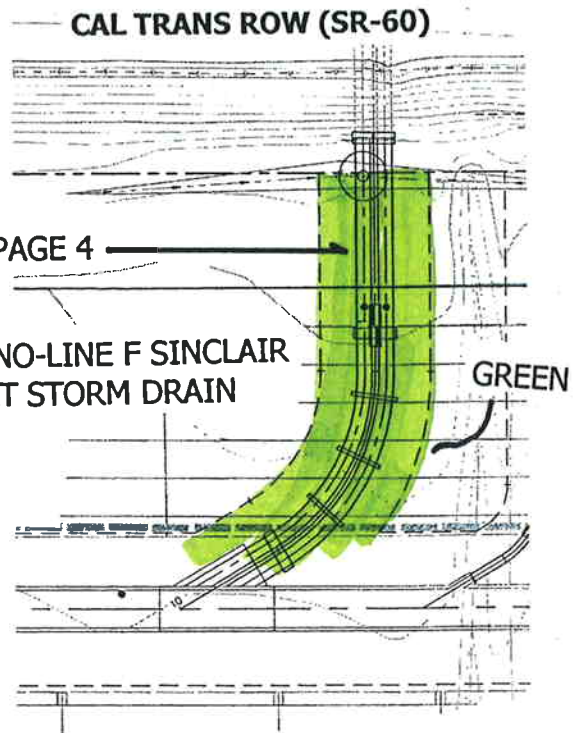
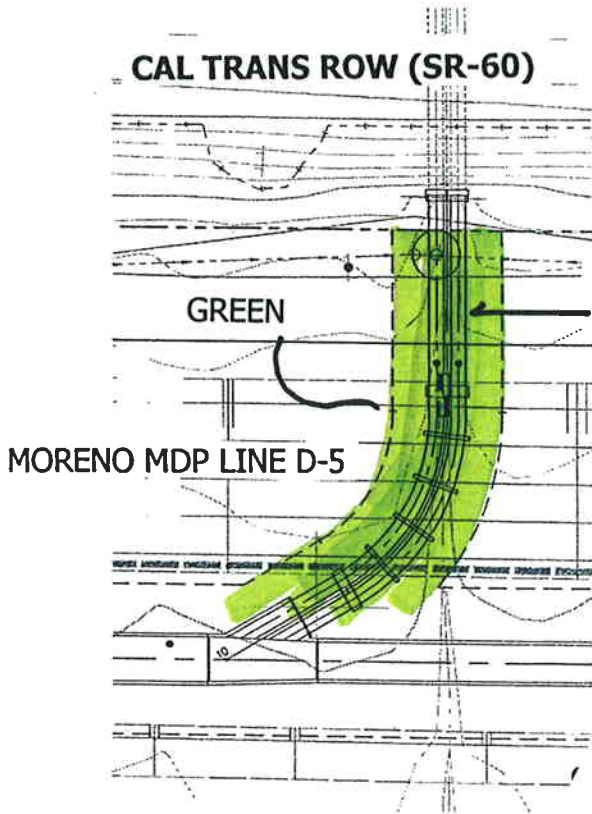
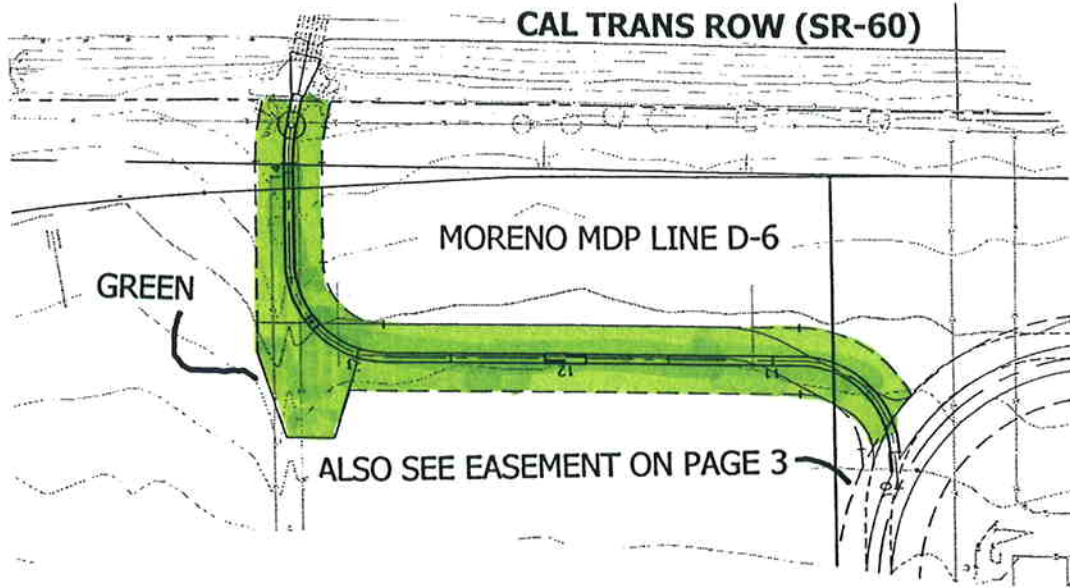
Exhibit B

CAL TRANS ROW (SR-60)



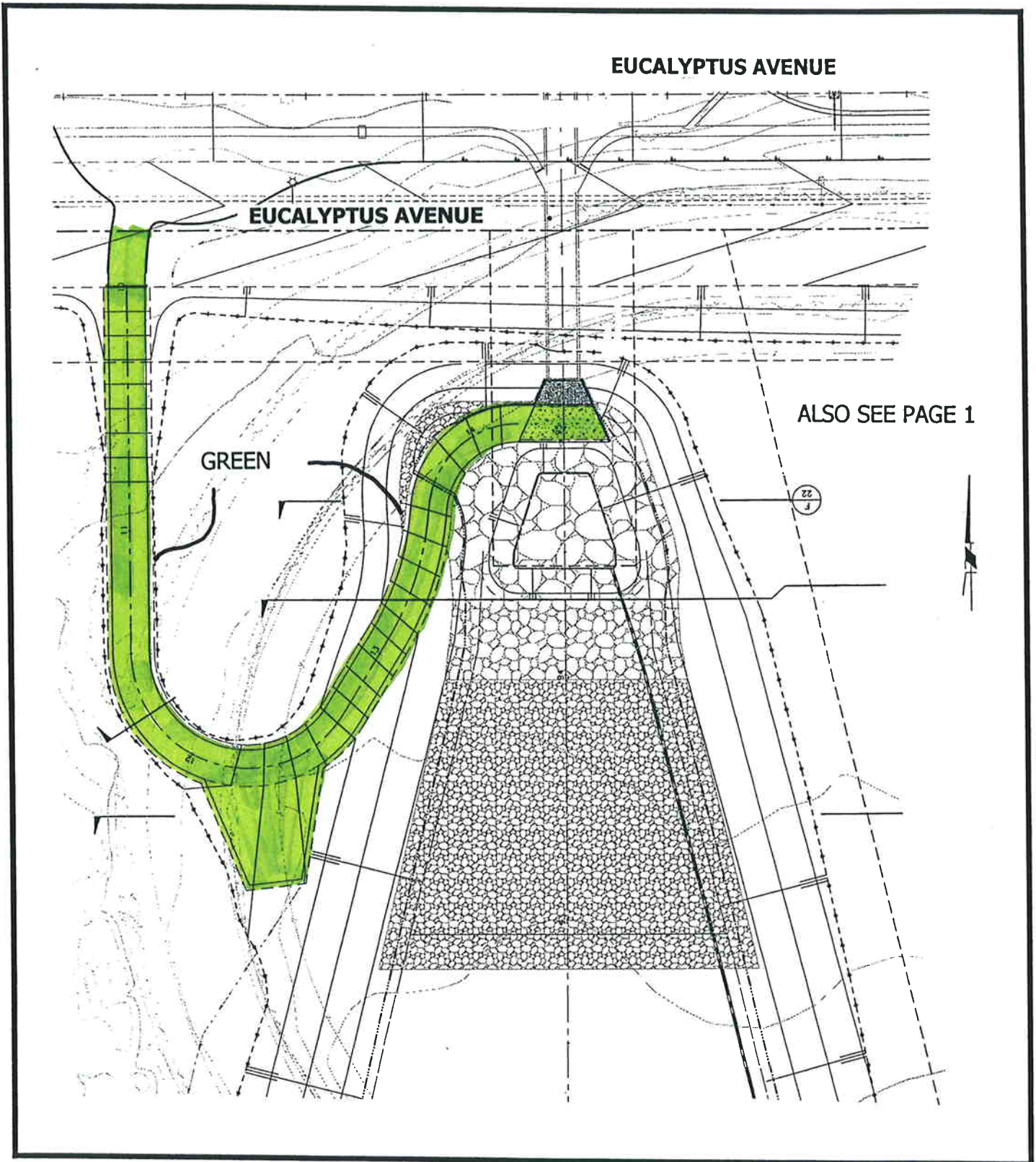
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Exhibit B



Cooperative Agreement
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Exhibit B



Cooperative Agreement
Parcel Map 35629
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4-0-00741, 4-0-00742, 4-0-00743

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APPROVALS	
BUDGET OFFICER	<i>Aug</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>WBS</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: PA07-0090 – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS ASSOCIATED WITH PHASE 2 & 3 OF THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK

BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE,
AND REDLANDS BOULEVARD AND THEODORE STREET

DEVELOPER: HF LOGISTICS – SKX T1, LLC
14425 CORPORATE WAY
MORENO VALLEY, CA 92553

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Accept the Agreement and Real Property Deeds of Trust as Securities for the public improvements associated with Phase 2 & 3 of the Highland Fairview Logistics Corporate Park.
2. Authorize the Mayor to execute the Agreement in the form attached hereto.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the Public Works Director/City Engineer to execute any future time extensions, amendments to the agreement, subject to City Attorney approval, if the required Phase 2 & 3 public improvements are not completed within said timeframe.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

BACKGROUND

On January 15, 2009, the Planning Commission of the City of Moreno Valley denied Tentative Parcel Map 35629.

On February 10, 2009, the City Council of the City of Moreno Valley approved Master Plot Plan No. PA07-0090 and Tentative Parcel Map 35629 and accepted phase-specific Conditions of Approval. The tentative parcel map is a proposal to subdivide the 158-acre site into four parcels, one for establishment of a logistics warehouse development and three for future development. The master plot plan provides for establishment of a business park development consisting of four buildings, internal circulation, parking and various site amenities. The Conditions of Approval for Tract Map 35629 require that the developer provide surety for the required public improvements.

DISCUSSION

The Conditions of Approval for this project require that the developer provide surety for the required public improvements. The developer has requested to enter into a Public Improvement Agreement for combined Phases 2 and 3 and provide the City with real property Deeds of Trust having a total valuation equal to or greater than 2.5 times the estimated value of all remaining public improvements. Said Deeds of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

The developer has completed and submitted a Public Improvement Agreement and securities for the Phase 2 & 3 public improvements. The developer has provided City staff with a separate Deed of Trust for Parcels 2, 3 and 4 of Parcel Map 35629 as noted within the agreement and agrees to perform and complete all of the required public improvements within twenty-four (24) months from the date the Plot Plan associated with each Phase 2 & 3 parcel is approved. The Public Works Director/City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe. The public improvements are within Redlands Boulevard, Theodore Street, State Route 60, and Eucalyptus Avenue. The improvements include but are not limited to: asphalt concrete, curb, gutter, sidewalk, driveway approaches, wheelchair ramp, signage, traffic signal and traffic signal modifications, bus turnout, street lights, water quality basins, storm drain, water, and sewer.

After the approval of the Plot Plan for each parcel including identification of the public improvements required to serve said parcel, and prior to the issuance of any building permits for that parcel, Developers shall replace the current Public Improvement Agreement and deed of trust with good and sufficient security for the public

improvements and labor and materials for each parcel in the amount prescribed by City ordinances and regulations.

Accompanying the agreement is a current property appraisal and a deed of trust for each of the three (3) parcels, to secure Developers' obligation in the estimated amount of two million nine hundred thousand dollars (\$2,900,000.00) for the construction of the public improvements required for the development of Parcels 2, 3 and 4 of Parcel Map 35629.

Given the present economy as well as the size and uniqueness of the project, allowing the use of a separate Public Improvement Agreement and use of real property as security for Phase 2 & 3 seems appropriate.

ALTERNATIVES

Not applicable.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

EXHIBITS

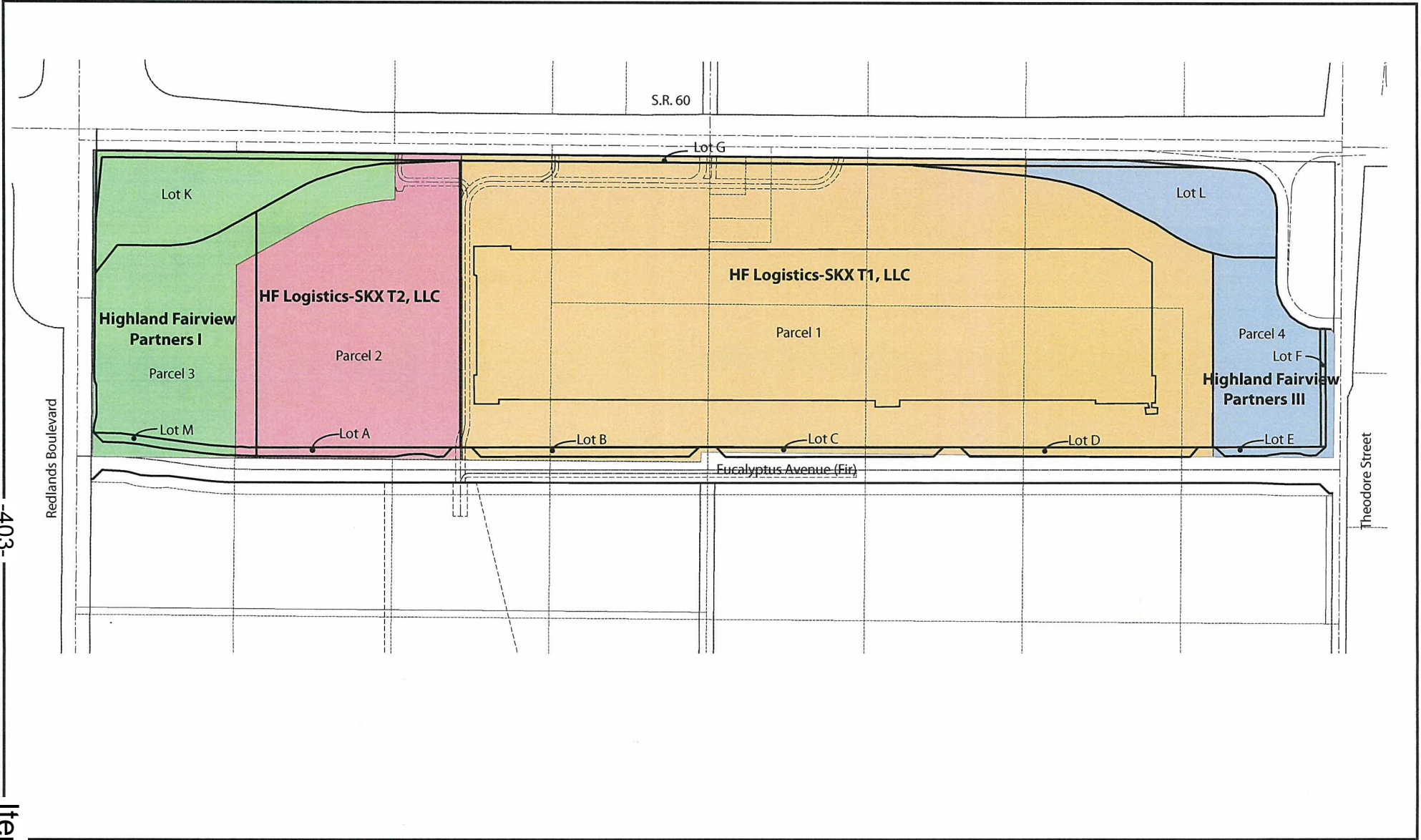
- Exhibit "A" - Vicinity Map for Site and Parcel Identification
- Exhibit "B" - Agreement for Public Improvements
- Exhibit "C" - Self-Contained Appraisal Report Dated July 30, 2010
- Exhibit "D" - Deed of Trust for Parcel 2
- Exhibit "E" - Deed of Trust for Parcel 3
- Exhibit "F" - Deed of Trust for Parcel 4

Prepared By
Mark W. Sambito, P.E.
Engineering Division Manager

Department Head Approval
Chris A. Vogt, P.E.
Public Works Director/City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\LandDev\MANAGEMENT ASSISTANT\Staff Reports\2010\8-24-10 - PA07-0090 - PM 35629 - Phase 2-3 Agree and Security.doc



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RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

No recording fee per Government Code, Section 6103

This space for Recorder's use only.

**AGREEMENT FOR THE PHASE 2 AND 3 PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA07-0090 PARCEL MAP 35629**

This Agreement, made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and **HF Logistics-SKX T2, LLC, Highland Fairview Partners I, and Highland Fairview Partners III**, hereinafter called Developers, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, known as **PA07-0090 (Tentative Parcel Map 35629)** agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within **TWENTY-FOUR (24)** months from the date the Plot Plan associated with each parcel is approved, to perform and complete in a good and workmanlike manner, all of the required improvements for that Plot Plan (Parcels 2, 3 and/or 4 of Parcel Map 35629) in accordance with those improvement plans which will have been approved by the City Engineer, and will be on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all estimated costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code. Developers shall also complete any offsite public improvements required for each parcel at such time as the City acquires an interest in the land which will permit the public improvements to be made and Developers waive the 120 day time limitation set forth in Section 66462.5, Government Code. The total cost of the required public improvements for Phase 2 and 3 (Parcels 2, 3 and 4 of Parcel Map 35629) is estimated to be **TWO MILLION NINE HUNDRED THOUSAND AND NO/100 Dollars (\$2,900,000.00)**.

SECOND: Developers agree to pay to the City the actual cost of such inspection of the public works and public improvements as may be required by the City Engineer. Developers further agree that, if suit is brought upon this Agreement or any security guaranteeing the completion of the required public improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developers and that, upon entry of judgment, such costs, expenses, and fees shall be taxed as costs and included in any judgment rendered.

THIRD: City shall not, nor shall any officer or employee of City, except for its or their sole negligence, be liable or responsible for any accident, loss or damage happening or occurring to the public improvements for Phases 2 and 3 (Parcels 2, 3 or 4 of Parcel Map 35629) prior to the completion or approval thereof, nor shall City or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Developers, their agents or employees, in the performance of the work, and all of said liabilities are assumed by Developers. Developers agree to protect, defend and hold harmless City and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Developers, their agents and employees, in the performance of this Agreement, or arising out of the use of any patent or patented article in the performance of this Agreement.

Exhibit "B"

FOURTH: Developers hereby grant to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the public improvements. This permission shall terminate in the event that the Developers have completed the work within the time specified or any extension thereof granted by the City.

FIFTH: Developers agree at all times, up to the completion and acceptance of the public improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the public improvements, and to protect the traveling public from such defective or dangerous conditions. Developers shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. Developers' obligation under this provision shall be secured by the deed of trust securing performance of this Agreement.

SIXTH: Developers, their agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

SEVENTH: If Developers, or their agents or employees, neglect, refuse, or fail to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if Developers violate, neglect, refuse, or fail to perform satisfactorily any of the provisions of the plans and specifications, they shall be in default of this Agreement and notice in writing of such default shall be served upon them. Whereupon, the City Engineer shall unilaterally have the ability to foreclose on the deed of trust securing Developers' obligations under this Agreement. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of Developers because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon Developers, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

EIGHTH: Developers hereby provide the City with a deed of trust for each Parcel 2, 3 and 4 of Parcel Map 35629, in the form of Exhibit "A" to secure Developers' obligation for the amount of **TWO MILLION NINE HUNDRED THOUSAND AND NO/100 Dollars (\$2,900,000.00)** for the construction of the public improvements required for the development of Parcels 2, 3 and 4 of Parcel Map 35629. After the approval of the Plot Plan for each parcel including identification of the public improvements required to serve each parcel and prior to the issuance of any building permits for that parcel, Developers shall replace the current Public Improvement Agreement and deed of trust with good and sufficient security for the public improvements and labor and materials for each parcel in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Developers agree to renew or increase each and every security within ten (10) days after being notified by the City Engineer that the sureties or amounts are insufficient. Developers reserve the right to substitute the security in accordance with the City of Moreno Valley Municipal Code at any time during the term of this Agreement subject to the approval of the City Engineer. Notwithstanding any other provision herein, if Developers fail to take such action as is necessary to comply with said notice, they shall be in default of this Agreement unless all required public improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developers of the insufficiency of the security. Upon the provision of such security for each parcel, the lien created by the deed of trust shall be released as to that parcel and the City shall execute all documents to reconvey its interest in that parcel to Developers. Said Deeds of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

NINTH: It is further agreed by and between the parties hereto, that, in the event it is deemed necessary to extend the time of completion of the work on Parcels 2, 3 and 4 of Parcel Map 35629, contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon Developers' request, and such extensions shall in no way affect the validity of this Agreement or release the security. Developers further agree to maintain the aforesaid security in full force and effect after the provision during the term of this Agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that, if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

ELEVENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:

City Engineer
P.O. Box 88005
14177 Frederick
Moreno Valley, CA 92552-0805

Developers:

HF Logistics-SKX, T2, LLC,
Highland Fairview Partners I,
Highland Fairview Partners III
14225 Corporate Way
Moreno Valley, California 92553

IN WITNESS WHEREOF Developers have affixed their names, addresses.

Date approved by the City: _____

HF LOGISTICS-SKX, T2, LLC
(OWNER OF PARCEL 2)

By: Idd Benzoni
Its: President + CEO

By: _____
Its: _____

HIGHLAND FAIRVIEW PARTNERS I, LLC
(OWNER OF PARCEL 3)

By: Idd Benzoni
Its: President + CEO

By: _____
Its: _____

HIGHLAND FAIRVIEW PARTNERS III, LLC
(OWNER OF PARCEL 4)

By: Idd Benzoni
Its: President + CEO

By: _____
Its: _____

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

By: _____
City Clerk

(SEAL)

CITY OF MORENO VALLEY

By: _____
Mayor

APPROVED AS TO FORM:
CITY ATTORNEY

Date: _____

By: _____
City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.

SIGNATURES OF DEVELOPERS MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPERS ; GREEN - PUBLIC WORKS/LAND DEVELOPMENT; BLUE - PROJECT FILE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On 8/5/10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Iddo Benzeevi
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Agmt for Ph. 2 & 3 Public Improvements

Document Date: _____ Number of Pages: 4

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: IDDO BENZEEVI Signer's Name: _____

Corporate Officer — Title(s): PRES. & CEO Corporate Officer — Title(s): _____

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



Signer Is Representing: _____

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



Signer Is Representing: _____

RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

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SHORT FORM DEED OF TRUST

This Deed of Trust made August __, 2010, HF Logistics-SKX T2, LLC, herein called TRUSTOR, whose address is 14225 Corporate Way, Moreno Valley, CA 92553,

FIRST AMERICAN TITLE INSURANCE COMPANY, a California Corporation, herein called TRUSTEE, and the City of Moreno Valley, herein called BENEFICIARY,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Riverside County, California, described as:

Parcel 2 of Parcel Map 35629.

For the purpose of securing TRUSTOR's obligations under that certain Public Improvements Agreement and Security Agreement dated _____, 2010. To Protect the Security of This Deed of Trust, TRUSTOR Agrees:

This Deed of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

To keep said property in good condition and repair, to pay when due all claims for labor performed and materials furnished, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer, or permit any act upon said property in violation of law.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of BENEFICIARY or TRUSTEE and to pay all costs and expenses, including cost of evidence of title and attorneys fees in a reasonable sum, in any such action or proceeding in which the BENEFICIARY or TRUSTEE may appear, and in any suit brought by BENEFICIARY to foreclose this Deed.

To pay, at least ten days before delinquency, all taxes and assessments affecting said property, all encumbrances, charges and liens on said property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust. Should TRUSTOR fail to do any act as herein provided or in the Public Improvements Agreement and Security Agreement, then BENEFICIARY or TRUSTEE, but without obligation to do so and without notice to or demand upon TRUSTOR and without releasing TRUSTOR from any obligation hereof, may make or do the same in such manner and

EXHIBIT "A"

to such extent as either may deem necessary to protect the security thereof, BENEFICIARY or TRUSTEE being authorized to enter upon said property for such purposes, appear in and defend any action purporting to affect the security thereof or the right or powers of BENEFICIARY or TRUSTEE, pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys fees.

That upon default by TRUSTOR in performance of any agreement secured hereby, BENEFICIARY may declare all sums and obligations secured hereby immediately due and payable by delivery to TRUSTEE by written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default having been given as then required by law, TRUSTEE, without demand on TRUSTOR, shall sell said property.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

Signature of Trustor

HF LOGISTICS-SKX T2, LLC
(Owner of Parcel 2)

By: 
Iddo Benzeevi, President & CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On 8.5.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ido Benzeri
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____ Signer's Name: _____

- | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> | <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Signer Is Representing: _____

Signer Is Representing: _____

RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

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SHORT FORM DEED OF TRUST

This Deed of Trust made August __, 2010, Highland Fairview Partners I, herein called TRUSTOR, whose address is 14225 Corporate Way, Moreno Valley, CA 92553,

FIRST AMERICAN TITLE INSURANCE COMPANY, a California Corporation, herein called TRUSTEE, and the City of Moreno Valley, herein called BENEFICIARY,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Riverside County, California, described as:

Parcel 3 of Parcel Map 35629.

For the purpose of securing TRUSTOR's obligations under that certain Public Improvements Agreement and Security Agreement dated _____, 2010. To Protect the Security of This Deed of Trust, TRUSTOR Agrees:

This Deed of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

To keep said property in good condition and repair, to pay when due all claims for labor performed and materials furnished, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer, or permit any act upon said property in violation of law.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of BENEFICIARY or TRUSTEE and to pay all costs and expenses, including cost of evidence of title and attorneys fees in a reasonable sum, in any such action or proceeding in which the BENEFICIARY or TRUSTEE may appear, and in any suit brought by BENEFICIARY to foreclose this Deed.

To pay, at least ten days before delinquency, all taxes and assessments affecting said property, all encumbrances, charges and liens on said property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust. Should TRUSTOR fail to do any act as herein provided or in the Public Improvements Agreement and Security Agreement, then BENEFICIARY or TRUSTEE, but without obligation to do so and without notice to or demand upon TRUSTOR and without releasing TRUSTOR from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security thereof, BENEFICIARY or TRUSTEE being authorized to enter upon said property for such purposes, appear in and defend any action purporting to affect the security thereof or the right or powers of BENEFICIARY or TRUSTEE, pay,

purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys fees.

That upon default by TRUSTOR in performance of any agreement secured hereby, BENEFICIARY may declare all sums and obligations secured hereby immediately due and payable by delivery to TRUSTEE by written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default having been given as then required by law, TRUSTEE, without demand on TRUSTOR, shall sell said property.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

Signature of Trustor

HIGHLAND FAIRVIEW PARTNERS I
(Owner of Parcel 3)

By: 
Iddo Benzeevi, President & CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On 8.5.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Adde Benzeri
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____ Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Individual Individual

Partner — Limited General Partner — Limited General

Attorney in Fact Attorney in Fact

Trustee Trustee

Guardian or Conservator Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____



RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

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SHORT FORM DEED OF TRUST

This Deed of Trust made August __, 2010, Highland Fairview Partners III, herein called TRUSTOR, whose address is 14225 Corporate Way, Moreno Valley, CA 92553,

FIRST AMERICAN TITLE INSURANCE COMPANY, a California Corporation, herein called TRUSTEE, and the City of Moreno Valley, herein called BENEFICIARY,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Riverside County, California, described as:

Parcel 4 of Parcel Map 35629.

For the purpose of securing TRUSTOR's obligations under that certain Public Improvements Agreement and Security Agreement dated _____, 2010. To Protect the Security of This Deed of Trust, TRUSTOR Agrees:

This Deed of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

To keep said property in good condition and repair, to pay when due all claims for labor performed and materials furnished, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer, or permit any act upon said property in violation of law.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of BENEFICIARY or TRUSTEE and to pay all costs and expenses, including cost of evidence of title and attorneys fees in a reasonable sum, in any such action or proceeding in which the BENEFICIARY or TRUSTEE may appear, and in any suit brought by BENEFICIARY to foreclose this Deed.

To pay, at least ten days before delinquency, all taxes and assessments affecting said property, all encumbrances, charges and liens on said property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust. Should TRUSTOR fail to do any act as herein provided or in the Public Improvements Agreement and Security Agreement, then BENEFICIARY or TRUSTEE, but without obligation to do so and without notice to or demand upon TRUSTOR and without releasing TRUSTOR from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security thereof, BENEFICIARY or TRUSTEE being authorized to enter upon said property for such purposes, appear in and defend any action

purporting to affect the security thereof or the right or powers of BENEFICIARY or TRUSTEE, pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys fees.

That upon default by TRUSTOR in performance of any agreement secured hereby, BENEFICIARY may declare all sums and obligations secured hereby immediately due and payable by delivery to TRUSTEE by written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default having been given as then required by law, TRUSTEE, without demand on TRUSTOR, shall sell said property.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

Signature of Trustor

HIGHLAND FAIRVIEW PARTNERS III
(Owner of Parcel 4)

By: 
Iddo Benzeevi, President & CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On 8.5.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ido Benzeri
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____ Signer's Name: _____

- | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> | <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> |
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Signer Is Representing: _____

Signer Is Representing: _____



HIGHLAND FAIRVIEW CORPORATE PARK -
PARCELS 2-4
South of 60 Freeway between Redlands Boulevard
& Theodore Street
Moreno Valley, Riverside County, CA 92555
CBRE File No. 10-242NB-0862

Self-Contained Appraisal Report

Prepared For:

Mr. Iddo Benveezi
HIGHLAND FAIRVIEW
14225 Corporate Way
Moreno Valley, CA 92553

July 30, 2010

Mr. Iddo Benveezi

HIGHLAND FAIRVIEW

14225 Corporate Way
Moreno Valley, CA 92553

RE: Appraisal of Highland Fairview Corporate Park - Parcels 2-4
South of 60 Freeway between Redlands Boulevard & Theodore Street
Moreno Valley, Riverside County, CA 92555
CBRE File No 10-242NB-0862

Dear Mr. Benveezi:

At your request and authorization, CB Richard Ellis (CBRE) has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Self-Contained Appraisal Report.

The subject consists of three individual parcels to be located along the south side of the 60 Freeway, between Redlands Boulevard and Theodore Street in the Rancho Belago district of the city of Moreno Valley in Riverside County, California. The parcel map is scheduled to be recorded on August 24, 2010. The sites are situated adjacent an 82.6 acre site that is being improved with a 1,820,457 square foot industrial distribution facility to be leased to Skechers USA, Inc. for a 20-year term commencing upon completion, estimated to be in March 2011. Parcel 4 is a commercial-zoned site of 7.2 net acres. Parcel 3 is a commercial site of 12.9 net acres and Parcel 2 is zoned for light industrial use and contains 22.4 net acres.

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As-Is			
Parcel 2 (22.4 acres)	Fee Simple Estate	July 27, 2010	\$3,370,000
Parcel 3 (12.9 acres)	Fee Simple Estate	July 27, 2010	\$3,630,000
Parcel 4 (7.2 acres)	Fee Simple Estate	July 27, 2010	\$2,020,000
Upon Completion of Street Improvements			
Parcel 2 (22.4 acres)	Fee Simple Estate	March 1, 2011	\$5,850,000
Parcel 3 (12.9 acres)	Fee Simple Estate	March 1, 2011	\$5,060,000
Parcel 4 (7.2 acres)	Fee Simple Estate	March 1, 2011	\$2,820,000
Compiled by CBRE			

Data, information, and calculations leading to the value conclusion are incorporated in the report following this letter. The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. It also conforms to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) and Title XI Regulations.

The report is for the sole use of the client; however, client may provide only complete, final copies of the appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. The appraiser is not required to explain or testify as to appraisal results other than to respond to the client for routine and customary questions. Please note that our consent to allow an appraisal report prepared by CBRE or portions of such report, to become part of or be referenced in any public offering, the granting of such consent will be at our sole discretion and, if given, will be on condition that we will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to us, by a party satisfactory to us. We do consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

Iddo Benveezi
July 30, 2010
Page 3

CBRE hereby expressly grants to Client the right to copy this report and distribute it to other parties in the transaction for which this report has been prepared, including employees of Client, other lenders in the transaction, and the borrower, if any. It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



William K. Bebernes, MAI
First Vice President
California State Certification No. AG003287
Phone: (949) 725-8413
Fax: (949) 725-8440
Email: William.Bebernes@CBRE.com

CERTIFICATION OF THE APPRAISAL

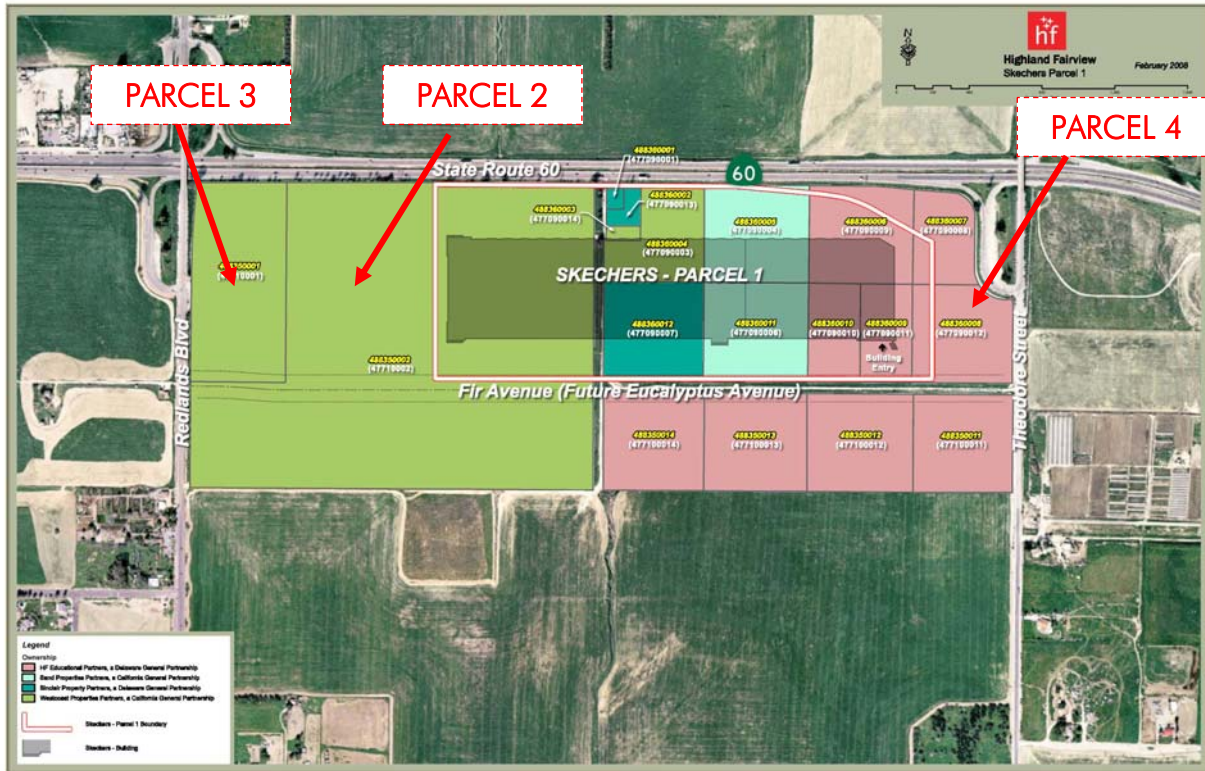
We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation and the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, as well as the requirements of the State of CA relating to review by its duly authorized representatives. This report also conforms to the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. William K. Bebernes, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
10. William K. Bebernes, MAI has made a personal inspection of the property that is the subject of this report.
11. No one provided significant real property appraisal assistance to the persons signing this report.
12. William K. Bebernes, MAI has extensive experience in the appraisal/review of similar property types.
13. William K. Bebernes, MAI is currently certified in the state where the subject is located.
14. Valuation & Advisory Services operates as an independent economic entity within CBRE. Although employees of other CBRE divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.
15. William K. Bebernes, MAI has not provided real estate appraisal services on this property within the three years prior to accepting this assignment.



William K. Bebernes, MAI
California State Certification No. AG003287

SUBJECT PHOTOGRAPHS





VIEW OF SUBJECT FROM EAST



VIEW OF PARCELS 2 & 3 FROM SOUTHEAST

SUMMARY OF SALIENT FACTS

Property Name	Highland Fairview Corporate Park - Parcels 2-4	
Location	South of 60 Freeway between Redlands Boulevard & Theodore Street, Moreno Valley, Riverside County, CA 92555	
Assessor's Parcel Number	Multiple	
Highest and Best Use		
As If Vacant	Industrial - Commercial	
As Improved	N/A	
Property Rights Appraised	Fee Simple Estate	
Land Area - Net		
Parcel 2	22.40 AC	975,744 SF
Parcel 3	12.90 AC	561,924 SF
Parcel 4	7.20 AC	313,632 SF
Estimated Exposure Time	6 Months	

CONCLUDED MARKET VALUE			
Appraisal Premise	Interest Appraised	Date of Value	Value
Market Value As-Is			
Parcel 2 (22.4 acres)	Fee Simple Estate	July 27, 2010	\$3,370,000
Parcel 3 (12.9 acres)	Fee Simple Estate	July 27, 2010	\$3,630,000
Parcel 4 (7.2 acres)	Fee Simple Estate	July 27, 2010	\$2,020,000
Upon Completion of Street Improvements			
Parcel 2 (22.4 acres)	Fee Simple Estate	March 1, 2011	\$5,850,000
Parcel 3 (12.9 acres)	Fee Simple Estate	March 1, 2011	\$5,060,000
Parcel 4 (7.2 acres)	Fee Simple Estate	March 1, 2011	\$2,820,000

Compiled by CBRE

SPECIAL ASSUMPTIONS

1. The gross and net site areas used in this report are based on figures from Tentative Parcel Map No. 35629, which is included in the Addenda and information provided by the owners. It is our understanding that this map will be recorded on August 24, 2010.

TABLE OF CONTENTS

CERTIFICATION OF THE APPRAISAL.....i

SUBJECT PHOTOGRAPHS ii

SUMMARY OF SALIENT FACTS..... iv

TABLE OF CONTENTS..... v

INTRODUCTION 1

AREA ANALYSIS 5

NEIGHBORHOOD ANALYSIS 19

MARKET ANALYSIS 23

SITE ANALYSIS 30

ZONING 33

TAX AND ASSESSMENT DATA 34

HIGHEST AND BEST USE 35

APPRAISAL METHODOLOGY 37

LAND VALUE 38

ASSUMPTIONS AND LIMITING CONDITIONS 49

ADDENDA

A Glossary of Terms

B Additional Subject Photographs

C Comparable Land Sales - Commercial

D Comparable Land Sales - Industrial

E Tentative Tract Map

F Land Improvement Costs

G Qualifications

INTRODUCTION

PROPERTY IDENTIFICATION

The subject consists of three individual parcels to be located along the south side of the 60 Freeway, between Redlands Boulevard and Theodore Street in the Rancho Belago district of the city of Moreno Valley in Riverside County, California. The parcel map is scheduled to be recorded on August 24, 2010. The sites situated adjacent an 82.6 acre site that is being improved with a 1,820,457 square foot industrial distribution facility to be leased to Skechers USA, Inc. for a 20-year term commencing upon completion, estimated to be in March 2011. Parcel 4 is a commercial-zoned site of 7.2 net acres. Parcel 3 is a commercial site of 12.9 net acres and Parcel 2 is zoned for light industrial use and contains 22.4 net acres.

OWNERSHIP AND PROPERTY HISTORY

According to our review of public records and information provided by the owners, title to the parcels that are included in this report is currently vested in entities that are affiliates of Highland Fairview, the developer of the Skechers building. Parcels 2 and 3 are owned by Westcoast Properties Partners, a California General Partnership. Parcel 4 is owned by HF Educational Partners, a Delaware General Partnership. The sites have been under the current ownership for several years.

PREMISE OF THE APPRAISAL

The following table illustrates the various dates associated with the valuation of the subject, the valuation premises and the rights appraised for each premise/date:

PREMISE OF THE APPRAISAL		
Item	Date	Interest Appraised
Date of Report:	July 30, 2010	
Date of Inspection:	July 27, 2010	
Date of Value		
As Is:	July 27, 2010	Fee Simple Estate
Compiled by CBRE		

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the subject property. The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and

assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

TERMS AND DEFINITIONS

The Glossary of Terms in the Addenda provides definitions for additional terms that are, and may be used in this appraisal.

INTENDED USE AND USER OF REPORT

This report is intended for use by the client for internal purposes.

SCOPE OF WORK

The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered and analysis is applied, all based upon the following problem-identifying factors stated elsewhere in this report:

- Client
- Intended use
- Intended user
- Type of opinion
- Effective date of opinion
- Relevant characteristics about the subject
- Assignment conditions

This appraisal of the subject has been presented in the form of a Self-Contained Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. That is, this report incorporates, to the fullest extent possible, practical explanation of the data, reasoning and analysis that were used to develop the opinion of value. This report also includes thorough descriptions of the subject and the market for the property type. CBRE completed the following steps for this assignment:

¹ Office of Comptroller of the Currency (OCC), 12 CFR Part 34, Subpart C – Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed. (Chicago: Appraisal Institute, 2002), 177-178. This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value as well as the example referenced in the *Uniform Standards of Professional Appraisal Practice (USPAP)*.

Extent to Which the Property is Identified

CBRE collected the relevant information about the subject from the owner (or representatives), public records and through an inspection of the subject. The property was legally identified through its postal address, assessor's records, legal description and title report.

Extent to Which the Property is Inspected

CBRE inspected the subject, as well as its surrounding environs on the effective date of appraisal.

Type and Extent of the Data Researched

CBRE reviewed the micro and/or macro market environments with respect to physical and economic factors relevant to the valuation process. This process included interviews with regional and/or local market participants, available published data, and other various resources. CBRE also conducted regional and/or local research with respect to applicable tax data, zoning requirements, flood zone status, demographics, income and expense data, and comparable listing and sale information.

Type and Extent of Analysis Applied

CBRE analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. Approaches to value used include cost, sales and income. The steps required to complete each approach are discussed in the methodology section. CBRE then correlated and reconciled the results into a reasonable and defensible value conclusion, as defined herein. A reasonable exposure time and marketing time associated with the value estimate presented has also been concluded.

EXPOSURE/MARKETING TIME

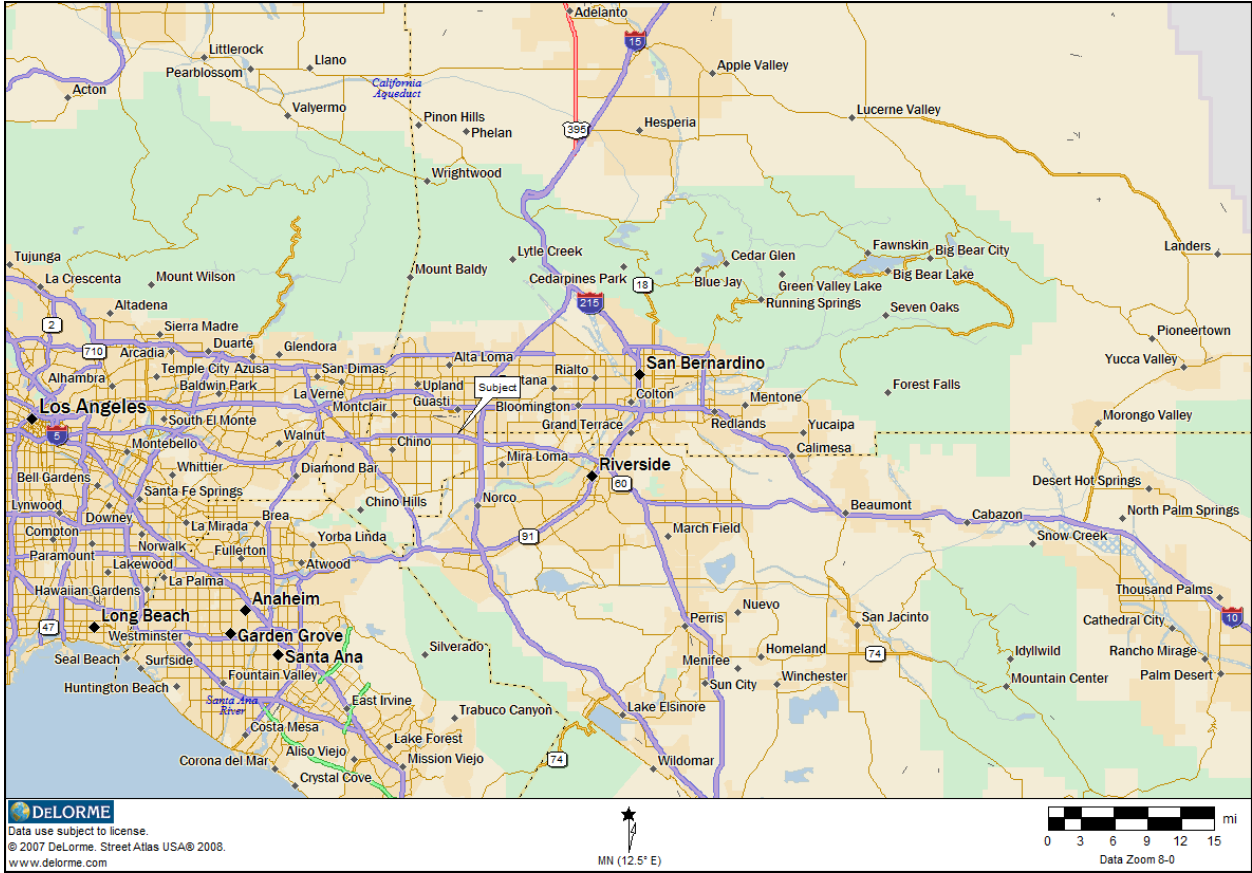
Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone.

EXPOSURE TIME INFORMATION

Investment Type	Exposure Time (Months)	
	Range	Average
Comparable Sales Data	3.0 - 28.0	6.8
<i>CBRE Warehouse/Distribution</i>		
Class A	3.0 - 12.0	5.5
Class B	4.0 - 12.0	7.8
Class C	4.0 - 12.0	7.6
<i>Korpacz Warehouse</i>		
National Data	3.0 - 18.0	9.3
Local Market Professionals	3.0 - 9.0	6.0
CBRE Estimate	6 Months	
Source: CBRE National Investor Survey & Korpacz Real Estate Investor Survey		

CBRE has concluded an exposure/marketing time of 6 months to be reasonable for the subject. This exposure/marketing time reflects current economic conditions, current real estate investment market conditions, the terms and availability of financing for real estate acquisitions, and property and market-specific factors. It assumes that the subject is (or has been) actively and professionally marketed. The marketing/exposure time would apply to all valuation premises included in this report.

AREA ANALYSIS



REGIONAL (COUNTY) INFLUENCES

Location

The subject is located in the Rancho Belago district of the city of Moreno Valley within Riverside County, California. The San Bernardino/Riverside County area (Inland Empire) is located in the southern portion of the state. A regional map indicating the location of the subject is presented on the previous page.

Population/Demographics

The Inland Empire represents approximately 11 percent of California’s population. The population of the Inland Empire is estimated by Claritas to be 4,216,852 for 2009. The county’s population is expected to reach approximately 4,808,880 by the year 2014 for an annual growth rate of 2.66 percent.

Demographic statistics for the Inland Empire are shown in the following table.

SELECTED METROPOLITAN DEMOGRAPHICS			
	Riverside County	San Bernardino County	Total Inland Empire
Population			
2014 Projection	2,513,707	2,295,173	4,808,880
2009 Estimate	2,149,382	2,067,470	4,216,852
2000 Census	1,545,387	1,709,434	3,254,821
1990 Census	1,170,413	1,418,380	2,588,793
2009 - 2014 % Change	17.0%	11.0%	14.0%
2000 - 2009 % Change	39.1%	20.9%	29.6%
1990 - 2000 % Change	32.0%	20.5%	25.7%
Households			
2014 Projection	677,480	792,521	1,470,001
2009 Estimate	617,191	684,200	1,301,391
2000 Census	528,594	506,218	1,034,812
1990 Census	464,737	402,067	866,804
2009 - 2014 % Change	9.8%	15.8%	13.0%
2000 - 2009 % Change	16.8%	35.2%	25.8%
1990 - 2000 % Change	13.7%	25.9%	19.4%
2009 Median Household Income	\$55,504	\$57,241	\$56,373
2009 Average Household Income	\$70,589	\$74,896	\$72,743
Source: Claritas			

The population increases in San Bernardino and Riverside counties were primarily due to a spillover from Los Angeles and Orange counties. However, more recent and projected growth is attributed to an internal expansion and diversification of the counties’ employment base. This development of employment opportunities has enabled the individual counties to develop as quasi-independent economic centers. This is reflected in regional economic data, which indicates that the Inland Empire has been leading the region in terms of new job creation.

Education

College campuses in San Bernardino County include Cal State University San Bernardino, Chaffey College, Loma Linda University, and University of Redlands. Major colleges in Riverside County include the University of California Riverside, which is building a satellite campus in the Coachella Valley, California State University in Palm Desert, College of the Desert, and Riverside Community College.

Economic Forces

General Economic Overview

California has historically been the dominant economic state in the Western United States. Trends in the state have typically mirrored the nation, although it has generally followed, versus led, the

economic cycles. The State of California, Southern California region, and Los Angeles County economies are all expected to contract in 2010. Strong growth is not projected until 2011 or later. The future impact on commercial and residential real estate is unknown, which is impacting current investment decisions. Specific locations within the region are experiencing varying levels of decline and these adverse economic conditions have been considered.

Development in the Inland Empire reflects a continuing suburbanization of the Southern California region. It has occurred as a direct result of increasing urbanization and associated high business costs (including real estate) in Los Angeles and Orange counties. Large-scale growth in the Inland Empire began in the 1970s as the area developed as a series of affordable housing communities serving the adjoining employment centers. The construction of housing was facilitated by low land costs and pro-growth local governments. The increased population base supported growth in retail trade and services.

The expanding population and economic base in the Southern California region, coupled with a lack of developable land, also resulted in significant new industrial development in the Inland Empire. This development consists primarily of warehouse/distribution buildings, with limited manufacturing. Development of warehouse/distribution buildings in the Inland Empire is attractive due to its good transportation infrastructure (both vehicular and rail) and its central location relative to serving the Southern California region and the western United States. Similar to residential land uses, new industrial development was also facilitated by low land costs and pro-growth local governments.

Historical Inland Empire Employment

In order to determine economic trends in the Inland Empire, we reviewed employment estimates published by the State of California Employment Development Department (EDD). A summary of historical average annual employment figures in the Inland Empire, by sector for 1990 through 2009, is shown in the table on the following pages.

In 2005 the Employment Development Department (EDD) began implementing a new labor force data methodology. The revised methodology includes new time-series estimating models, improved estimation of new and reentrants into the labor force, and newly-defined Metropolitan Statistical Areas (MSAs).

Employment in the Inland Empire has steadily increased, reflecting a compound annual job growth rate of 2.22 percent over the past 19 years (31,915 new jobs per year). Employment growth has occurred continually despite recessionary periods experienced by the Southern California region in the 1990's and the early 2000 years. The Inland Empire's improving employment is reflective of its consistent economic development and increases in population.

Over the last 19 years, employment sectors that noticeably outperformed total employment growth include: Trade, Transportation and Utilities at 5.6 percent and Professional and Business Services at

3.8 percent per year. Total farm, mining and federal government have shown slight decreases. More recently, the Construction sector within Goods Producing has dropped 33.6 percent from 2008 and the overall Goods Producing Industry has declined 24.9 percent. The decrease in employment within this industry is a reflection of the continued decline in residential and commercial expansion in the Inland Empire region. Overall employment in the Inland Empire showed a moderate decline from the previous year, with a decrease in 49,100 jobs year-over-year.

HISTORICAL EMPLOYMENT TRENDS										
Riverside - San Bernardino Metropolitan Statistical Area										
Title	1990	2000	2008	2009	2008 % of Total	2009 % of Total	Annual Growth		Compounded Annual Growth	
							2008-2009 Total	%	1990-2009 Avg.	%
Civilian Labor Force	1,172,400	1,419,400	1,827,900	1,778,800	-	-	-	-	-	-
Civilian Employment	1,097,900	1,347,500	1,662,400	1,530,400	-	-	-	-	-	-
Civilian Unemployment	74,500	71,900	165,500	248,400	-	-	-	-	-	-
Change in Total Employment	-	37.4%	-2.2%	-7.6%	-	-	-	-	-	-
Total, All Industries	735,200	1,010,100	1,257,100	1,161,100	100.0%	100.0%	-96,000	-7.6%	22,416	2.4%
Total Farm	22,600	21,700	14,800	16,300	1.2%	1.4%	1,500	10.1%	-332	-1.7%
Total Nonfarm	712,600	988,400	1,242,300	1,144,800	98.8%	98.6%	-97,500	-7.8%	22,747	2.5%
Goods Producing	138,000	201,500	210,700	158,200	16.8%	13.6%	-52,500	-24.9%	1,063	0.7%
Mining	1,400	1,300	1,400	900	0.1%	0.1%	-500	-35.7%	-26	-2.3%
Construction	58,800	80,100	98,300	65,300	7.8%	5.6%	-33,000	-33.6%	342	0.6%
Manufacturing	77,900	120,100	111,000	92,000	8.8%	7.9%	-19,000	-17.1%	742	0.9%
Service Providing	574,600	786,900	1,031,600	986,600	82.1%	85.0%	-45,000	-4.4%	21,684	2.9%
Transportation & Public Utilities	24,000	46,400	67,700	67,700	5.4%	5.8%	0	0.0%	2,300	5.6%
Wholesale Trade	24,400	38,300	56,100	51,400	4.5%	4.4%	-4,700	-8.4%	1,421	4.0%
Retail Trade	99,200	127,400	168,800	159,000	13.4%	13.7%	-9,800	-5.8%	3,147	2.5%
Finance & Insurance	21,300	20,600	28,500	26,000	2.3%	2.2%	-2,500	-8.8%	247	1.1%
Real Estate and Rental and Leasing	11,700	14,200	18,200	17,300	1.4%	1.5%	-900	-4.9%	295	2.1%
Professional and Business Services	62,800	97,000	146,300	128,300	11.6%	11.0%	-18,000	-12.3%	3,447	3.8%
Government	150,200	192,100	227,200	226,600	18.1%	19.5%	-600	-0.3%	4,021	2.2%
Federal Government	21,600	18,200	20,500	19,800	1.6%	1.7%	-700	-3.4%	-95	-0.5%
State Government	18,900	24,600	28,200	29,900	2.2%	2.6%	1,700	6.0%	579	2.4%
Local Government	109,700	149,300	178,500	176,900	14.2%	15.2%	-1,600	-0.9%	3,537	2.5%

Source: California Employment Development Department

County Employment

The Riverside-San Bernardino MSA unemployment rate was 14.4 percent in June 2010, up from the revised 13.9 percent in May 2010 and above the estimate of 13.6 percent in June 2009. This compares to the State’s average of 12.2 percent and the national rate 9.6 percent. Year-over total non-farm employment in Riverside and San Bernardino counties declined by 32,200 jobs from 1,138,800 in June 2009 to 1,106,600 in June 2010, a growth rate of -2.8 percent. Construction, retail, manufacturing, financial activities and trade, transportation and utilities had the greatest decline in employment over the past year.

In addition to the growing pool of available workers, the SMSA has a wide range of skill levels coming from the influx of homebuyers. The following table outlines the profile of the work force by employment sector.

RIVERSIDE - SAN BERNARDINO MSA		
WORK FORCE		
JUNE 2010		
Industry	Number Employed (in thousands)	Percent Employed
All Industries	1,127.3	100.0
Total Agriculture	20.7	1.8
Non-Agriculture Industries	1,106.6	98.2
Goods Producing	145.3	12.9
Mining	1.2	0.1
Construction	58.8	5.2
Manufacturing – Total	85.3	7.6
Nondurable Goods	29.0	2.6
Durable Goods	56.3	5.0
Service Providing – Total	961.3	85.3
Trade Transportation and Utilities	262.9	23.3
Information	14.4	1.3
Financial Activities	41.8	3.7
Professional and Business Services	124.8	11.1
Education and Health Services	132.1	11.7
Leisure and Hospitality	119.9	10.6
Other Services	36.3	3.2
Government	229.1	20.3

Source: California EDD

The most influential aspect of the above breakdown is that it illustrates the diversity in the regional labor force. The entire Los Angeles metropolitan area, including the Inland Empire, has a very diverse economic makeup that has buffered Southern California's economy from cyclical fluctuations in particular industries such as defense and energy. The impact of this is a relatively strong real estate investment market, from local, national, and international concerns. The economic makeup developing in the subject's region is following a similar pattern.

For the long term, Riverside and San Bernardino Counties will continue to be bedroom communities and an exporter of employees. The area's attractive climate and surroundings are expected to continue to attract home price conscious employees and retirees alike.

Unemployment Trends

The following table summarizes the average annual unemployment rates for the Inland Empire from 1990.

INLAND EMPIRE UNEMPLOYMENT RATES 1990 - JUNE 2010	
Year	Unemployment Rate
1990	6.4%
1991	9.1%
1992	10.7%
1993	11.0%
1994	9.6%
1995	8.6%
1996	7.9%
1997	7.0%
1998	6.1%
1999	5.2%
2000	5.1%
2001	5.3%
2002	6.3%
2003	6.4%
2004	5.9%
2005	5.3%
2006	4.9%
2007	5.9%
2008	10.3%
2009	14.1%
June 2010	14.4%

Source: California Employment Development Department

As shown, the unemployment rate increased between 1990 and 1993 due to a recession. The unemployment rate declined from 1994 to 1999 as the regional economy expanded. It increased moderately in 2002, and maintained that level in 2003, due to lingering effects of the national recession as well as continued growth in the labor force. It declined significantly in 2004, and maintained the same level in 2005. Unemployment decreased to 4.9 percent in 2006, and rose to 5.9 percent in 2007. In 2008, the unemployment rate rose significantly to 10.3 percent and again in 2009 to 14.1 percent due to a slowing economy. As of June 2010, the unemployment rate has continued to increase to a rate of 14.4 percent.

Largest Employers

A list of the largest employers in the Inland Empire, compiled by the Inland Empire Business Journal in the 2010 Book of Lists and CB Richard Ellis, Inc. is presented in the two following tables.

MAJOR EMPLOYERS				
Riverside County				
NO.	NAME OF COMPANY	EMPLOYEES		TYPE OF ORGANIZATION
		LOCAL	TOTAL	
1	County of Riverside	18,456	18,456	County Government
2	March Aire Reserve Base	8,600	8,600	Military
3	U.C. Riverside	7,321	7,321	University
4	Stater Bros. Markets	6,900	19,000	Grocery/Retailer
5	Wal-Mart Stores, Inc	6,550	1,900,000	Retail
6	Riverside Unified School District	5,099	5,099	Education
7	Abbott Vascular	4,500	65,000	Health Care
8	Pechanga Resort and Casino	4,000	4,000	Casino/Resort
9	Kaiser Permanente Riverside Medical Center	3,600	149,000	Health Care
10	Temecula Valley Unified School District	2,752	2,752	Education
11	City of Riverside	2,700	2,700	City Government
12	Hemet Unified School District	2,590	2,590	Education
13	Riverside County Regional Medical Center	2,400	N/A	Health Care
14	Eisenhower Medical Center	2,223	2,223	Health Care
15	Morongo Casino, Resort and Spa	2,148	2,148	Casino/Resort
16	Palm Springs Unified School District	2,135	2,135	Education
17	Alvord Unified School District	2,100	2,100	Education
18	Desert Regional Medical Center	1,900	N/A	Health Care
19	Riverside County Office of Education	1,800	1,800	Education
20	Murrieta Valley Unified School District	1,777	1,900	Education

*Based on ranking of total local employees in Inland Empire as included in the Book of Lists

Source: The Business Press, 2010 Book of Lists

MAJOR EMPLOYERS				
San Bernardino County				
NO.	NAME OF COMPANY	EMPLOYEES		TYPE OF ORGANIZATION
		LOCAL	TOTAL	
1	County of San Bernardino	18,000	18,000	County Government
2	U.S. Marine Corps Air Ground Combat Center	12,486	12,486	Military
3	U.S. Army, Fort Irwin & National Training Center	10,000	10,000	Military
4	San Bernardino City Unified School District	7,722	7,722	Education
5	Stater Bros. Markets	6,900	19,000	Grocery/Retailer
6	Wal-Mart Stores, Inc.	6,125	1,900,000	Retail
7	Kasier Permanente	5,808	5,808	Health Care
8	UPS	4,990	407,200	Parcel Shipment
9	Fontana Unified School District	4,808	4,808	Education
10	Target Corporation	4,800	350,000	Retail
11	Colton Joint Unified School District	3,737	3,737	Education
12	San Manuel Band of Mission Indians	3,691	3,691	Casino/Resort
13	Loma Linda University	3,000	3,000	University
14	Chino Valley Unified School District	2,815	2,815	Education
15	Cardenas Markets, Inc.	2,500	2,500	Grocery/Retailer
16	VA Loma Linda Healthcare System	2,268	2,436	Health Care
17	Ontario-Montclair School District	2,239	2,239	Education
18	Arrowhead Regional Medical Center	2,231	3,100	Health Care
19	Marine Corps Logistics Base	2,200	2,200	Military
20	University of Redlands	2,128	2,128	University

*Based on ranking of total local employees in Inland Empire as included in the Book of Lists

Source: The Business Press, 2010 Book of Lists

Environmental Forces

Land Use/Development Trends

The Inland Empire originally developed as a residential bedroom community serving employment centers in Los Angeles and Orange counties. As a result, most early development paralleled the San Bernardino, Pomona, and Corona freeways. Residents were drawn to the area by the availability of affordable housing. With the existing network of freeways serving the Southern California region, access to most employment centers was easily facilitated. The western portion of San Bernardino County was the first area to experience significant residential development. This included the cities and communities of Montclair, Upland, Chino, and Ontario. With the rapid expansion of the Southern California economy in the 1980s, residential development in the Inland Empire continued its expansion along existing freeways. Residential development followed an easterly path, to the cities of Rancho Cucamonga and Fontana. More significantly, increased development occurred along the Riverside Freeway in the cities and communities of Corona, La Sierra, Arlington, and Moreno Valley. To a lesser extent, residential development moved northward along the Ontario Freeway to the cities of Victorville, Apple Valley, and Hesperia in the High Desert region and farther eastward in the Low Desert region near Palm Springs and Cathedral City. Provided in the following pages is a more detailed discussion of the housing, retail, industrial and office land uses in this region.

County Housing

The single most likely factor that will continue to fuel the population growth in Riverside and San Bernardino Counties is its housing affordability compared to other nearby counties. The following table compares San Bernardino and Riverside Counties with neighboring counties for the median price and number sold for all homes, and the percentage changes, as of June 2010.

	NO. SOLD – ALL HOMES			MEDIAN PRICE - ALL HOMES		
	June 2009	June 2010	Percent Change	June 2009	June 2010	Percent Change
Los Angeles	7,636	7,849	2.80%	\$320,000	\$335,000	4.70%
Orange	2,958	3,423	15.70%	\$418,000	\$445,000	6.50%
San Diego	3,692	3,885	5.20%	\$314,250	\$335,500	6.80%
Riverside	4,694	4,645	-1.00%	\$185,000	\$210,000	13.50%
San Bernardino	3,438	3,179	-7.50%	\$140,000	\$160,000	14.30%
Ventura	844	890	5.50%	\$365,000	\$384,000	5.20%
Southern California	23,262	23,871	2.60%	\$265,000	\$300,000	13.20%

Source: DataQuick

Compiled by: CB Richard Ellis, Inc.

The totals for home sales include new and resale houses and condominiums. The price changes reflect shifts in market mix as well as changes in price. The reported median prices have been rounded to the nearest thousand and do not always correspond to the precise percentage change.

The data in the table above reflects an upward trend in sales volume in Southern California with an upward trend in home prices. According to DataQuick, a total of 23,871 homes were sold in Southern California during June, an increase of 2.60 percent from the year before, and the median price was \$300,000, a 13.50 percent increase from last year.

Sales in Riverside County accounted for 19.46 percent of all southland sales. San Bernardino accounted for 13.32 percent of all southland sales. The median price paid for a home in Riverside County increased 13.50 percent to \$210,000 and sales volume decreased by 1.00 percent to 4,645 units sold, compared to 4,694 units sold one year ago. The median price paid for a home in San Bernardino County was \$160,000, up 14.30 percent from June 2009. Sales volume in San Bernardino County decreased by 7.50 percent to 3,179 units sold, compared to 3,438 units sold one year ago.

The table indicates that the Counties of San Bernardino and Riverside, collectively referred to as the Inland Empire, offer the most affordable housing in the Southern California area. These figures show that the primary reason San Bernardino and Riverside Counties receive demand from commuters that work in nearby counties is the lower cost of housing, even after considering commuting costs.

Building Permits

Presented in the following chart is a summary of total building permits from 1995 through 2009 (single-family and multi-family).

BUILDING PERMITS - SINGLE-FAMILY							
Period	Los Angeles County	Orange County	Riverside County	San Bernardino County	Ventura County	San Diego County	Six-County Total Permits
1995	5,400	5,663	6,803	3,852	1,954	4,736	28,408
1996	5,370	7,070	7,021	4,703	2,130	5,816	32,110
1997	6,788	8,219	8,678	5,124	2,071	8,338	39,218
1998	6,887	7,366	10,758	5,602	2,811	9,160	42,584
1999	7,858	7,686	12,659	6,593	3,662	9,993	48,451
2000	8,417	6,794	13,630	5,865	2,995	9,167	46,868
2001	8,184	5,925	16,556	6,825	3,157	9,312	49,959
2002	8,217	6,423	20,591	9,179	2,228	9,749	56,387
2003	10,217	5,565	25,137	10,820	2,342	9,455	63,536
2004	11,752	4,395	29,478	13,991	1,721	9,555	70,892
2005	11,911	4,058	29,994	15,305	2,593	7,904	71,765
2006	10,097	3,735	20,692	12,599	1,560	4,753	53,436
2007	7,509	2,182	9,763	6,239	736	3,503	29,932
2008	3,539	1,295	3,815	1,981	354	2,352	13,336
2009	2,095	1,335	3,386	1,430	209	1,785	10,240
Percent Change 2008 to 2009	-40.80%	3.09%	-11.25%	-27.81%	-40.96%	-24.11%	-23.22%
Average	7,616	5,181	14,597	7,341	2,035	7,039	43,808

Source: Real Estate and Construction Report

BUILDING PERMITS - MULTI-FAMILY							
Period	Los Angeles County	Orange County	Riverside County	San Bernardino County	Ventura County	San Diego County	Six-County Total Permits
1995	3,005	2,637	143	101	212	1,872	7,970
1996	3,237	3,137	478	311	223	1,052	8,438
1997	3,636	4,032	1,106	469	245	3,064	12,552
1998	4,805	2,735	1,735	511	371	3,013	13,170
1999	6,525	4,662	1,920	479	780	6,434	20,800
2000	8,654	5,573	1,780	715	976	6,760	24,458
2001	10,069	2,721	2,458	1,702	289	6,326	23,565
2002	11,147	5,597	2,073	1,437	279	5,989	26,522
2003	11,096	3,746	5,224	1,820	1,293	8,859	32,038
2004	15,183	4,927	4,748	4,479	882	7,751	37,970
2005	13,736	3,148	4,140	1,379	1,923	7,354	31,680
2006	16,251	4,636	4,519	1,273	901	6,024	33,604
2007	12,854	4,890	2,690	1,765	1,111	3,942	27,252
2008	10,165	1,864	2,104	1,201	488	2,802	18,624
2009	3,515	842	802	1,063	132	1,204	7,558
Percent Change 2008 to 2009	-65.42%	-54.83%	-61.88%	-11.49%	-72.95%	-57.03%	-59.42%
Average	8,925	3,676	2,395	1,247	674	4,830	21,747

Source: Real Estate and Construction Report

Total single-family building permits generally increased on an annual basis from 1995 through 2005 (they only declined in 2000), and then dropped precipitously in 2006 thru 2009. The year end figure for 2009 was 85 percent below the 2005 peak.

Trends in multi-family building permits have fluctuated significantly. However, there has been a general upward trend from less than 10,000 units in the early time frame (1995 and 1996) versus 20,000 units or more from 1999 to 2007. Total multi-family permits have declined significantly within the last two years as the year end 2009 figure was 80 percent below 2004 peak.

Transportation

A well-integrated freeway system serves as the basis for surface transportation in the Inland Empire and Southern California region. The primary freeway serving the region is the San Bernardino Freeway (Interstate 10), a transcontinental highway connecting Los Angeles to the rest of the nation. Additional freeways include the Ontario Freeway (Interstate 15), connecting San Diego County and the Nevada State Line; Interstate 215, a north-south business loop connecting the San Bernardino and Ontario freeways; the Pomona Freeway (State Route 60), connecting the cities of Los Angeles and Riverside; the Moreno Freeway (State Route 60), an extension of the Pomona Freeway running between Riverside and Banning; and the Corona Expressway (State Route 71), connecting the Riverside Freeway (State Route 91), the Pomona Freeway (State Route 60), the San Bernardino Freeway (Interstate 10), and the Foothill Freeway (Interstate 210). The Foothill (210) Freeway now extends east from the city of La Verne to the 30 Freeway in the city of San Bernardino.

The Mid County Parkway project is a proposed 32-mile transportation corridor designed to relieve local and regional traffic congestion in the San Jacinto, Perris and Corona areas, and surrounding communities. The Mid County Parkway project began in 2004 with meetings and studies to analyze project impacts and to identify possible routes. The preferred route is known as Alternative 9, also called the Far South Alternative. This proposed route extends from Cajalco Road in Corona to Highway 79 in San Jacinto. The majority of this route parallels south of the Cajalco Expressway between I-15 and I-215 and then overlays the current Ramona Expressway route from I-215 to San Jacinto. Study findings on Alternative 9 and other Mid County Parkway alternatives were presented in a Draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS) which was circulated for public review in early 2008.

Citing environmental concerns, opposition from residents and more pressing priorities, the Riverside County Transportation Commission's staff is proposing to scale back by half the 32-mile, \$3 billion Mid-County Parkway. Rather than connecting San Jacinto and Corona, the shorter route will go no farther than San Jacinto-to-Interstate 215. The decision is also based on Riverside County improving Cajalco Road, which the County has wished to widen to four lanes from Perris to Corona and straighten so the curvy road is safer.

The Inland Empire is served by the Santa Fe and Southern Pacific railroads. These railroads act primarily in a freight hauling capacity, providing access between the ports of Los Angeles and Long Beach and the Inland Empire. Via the existing network of national rail lines, freight can be moved throughout the entire country.

Passenger rail service is available via MetroLink, a rail service that serves Southern California. Union Station in downtown Los Angeles is the hub. Service extends through the San Gabriel Valley and the western Inland Empire to the city of San Bernardino on the east. Stations serving the Inland Empire include Claremont, Montclair, Rancho Cucamonga, Rialto, and San Bernardino. Another MetroLink line extends east to the city of Riverside, with stops in the City of Industry, Ontario, and Riverside.

Ontario International Airport

A primary catalyst of growth in the Inland Empire is the Ontario International Airport. In 1998, a major expansion and renovation was completed. The airport now includes two passenger terminals with 35 gates that total 530,000 square feet (eight times larger than the former facility). It has a capacity to serve 10 million passengers annually, with plans for expansion to a third terminal when this threshold is achieved in consecutive years. Parking was increased by 4,900 spaces to the current level of 13,968 stalls. In 2009, 4.8 million passengers used the airport and 390,932 tons of air freight was shipped, which both numbers were down significantly from the numbers posted in 2007 and again in 2008. A summary of historical statistics for the airport are summarized in the following table.

ONTARIO INTERNATIONAL AIRPORT PASSENGER AND AIR FREIGHT VOLUMES 1987-2009						
Passengers						
Year	Departures	Arrivals	Total	Percent Change	Freight (Tons)	Percent Change
1987	2,292,606	2,282,391	4,574,997		218,196	
1988	2,409,598	2,388,634	4,798,232	4.9%	286,411	31.3%
1989	2,661,026	2,638,237	5,299,263	10.4%	284,988	-0.5%
1990	2,717,968	2,702,367	5,420,335	2.3%	272,638	-4.3%
1991	2,906,405	2,885,413	5,791,818	6.9%	282,558	3.6%
1992	3,067,671	3,053,952	6,121,623	5.7%	306,973	8.6%
1993	3,105,181	3,086,854	6,192,035	1.2%	353,302	15.1%
1994	3,200,836	3,185,164	6,386,000	3.1%	379,911	7.5%
1995	3,210,582	3,194,515	6,405,097	0.3%	386,953	1.9%
1996	3,132,803	3,120,035	6,252,838	-2.4%	437,139	13.0%
1997	3,153,825	3,147,037	6,300,862	0.8%	461,747	5.6%
1998	3,212,487	3,222,371	6,434,858	2.1%	454,231	-1.6%
1999	3,268,661	3,309,344	6,578,005	2.2%	488,774	7.6%
2000	3,396,764	3,360,634	6,757,398	2.7%	511,758	4.7%
2001	3,354,400	3,348,000	6,702,400	-0.8%	462,758	-9.6%
2002	3,262,300	3,285,577	6,547,877	-2.3%	547,461	18.3%
2003	3,285,577	3,262,300	6,547,877	0.0%	571,892	4.5%
2004	3,462,361	3,473,352	6,935,713	5.9%	605,211	5.8%
2005	3,611,978	3,601,550	7,213,528	4.0%	575,369	-4.9%
2006	3,533,858	3,516,046	7,049,904	-2.3%	544,600	-5.3%
2007	3,607,184	3,599,966	7,207,150	2.2%	532,865	-2.2%
2008	3,112,112	3,120,649	6,232,761	-13.5%	481,284	-9.7%
2009	2,444,643	2,442,052	4,886,695	-21.6%	390,932	-18.8%
Compound Annual Growth 1987-2009				0.3%		2.7%

Source: Ontario International Airport

As a result of the increasing regional population base, limited growth or a reduction in flights at other regional airports, and increased commercial and industrial development, both passenger and freight volume have increased significantly since 1987. Passenger volume declined in 2000 and 2001 due to the events of September 11, 2001. Passenger volume significantly increased in 2004, following three years of negative to limited growth. The 5.9 percent increase in passenger growth from 2003 also represents the largest increase in 13 years. The 2.3 percent decrease in 2006 was the first year of decreased passenger volume in four years. However, the largest decrease came in 2009 due to market conditions. The amount of annual freight volume, however, rose by 2.7 percent. Since 1987, the annual rate of growth in freight volume has generally outperformed the rate of growth in passenger volume. This reflects the Ontario Airport's growing appeal as a distribution center. Despite being overshadowed by Los Angeles International Airport, Ontario International Airport is ranked among the 100 busiest in the world. Ontario International Airport is currently served by 12 passenger airlines and 11 airfreight carriers. The United Parcel Service (UPS) operates a regional freight hub at the Ontario International Airport. The hub ships cargo weighing more than 150 pounds to cities across North America.

The city of Los Angeles and the Federal Aviation Administration (FAA) are projecting significant growth in demand for the Ontario airport, predicting that regional passenger demand will double, and air cargo demand will triple by 2030. The agencies are preparing a joint Environmental Impact Report (EIR) and Environmental Impact Statement (EIS) for the proposed expansion of the Ontario Airport to guide the development of the airport through 2030.

Governmental Forces

Recreation and Culture

The Inland Empire region has extensive public recreational facilities. There are numerous public golf courses and country clubs, with additional facilities planned and under construction. Also, the resort communities in Big Bear and Lake Arrowhead provide nature trails, hiking, snow skiing, water skiing, and many other outdoor activities. The low desert region (centered around Palm Springs) has several retirement and weekend resort communities.

One significant public facility is the Diamond Valley Lake, a 260-billion-gallon lake located just south of the city of Hemet. This facility was constructed by the Metropolitan Water District to double Southern California's surface water retention and provide six months worth of emergency storage. Camping, hiking, fishing and other outdoor activities are permitted at the lake.

Real Estate Taxes

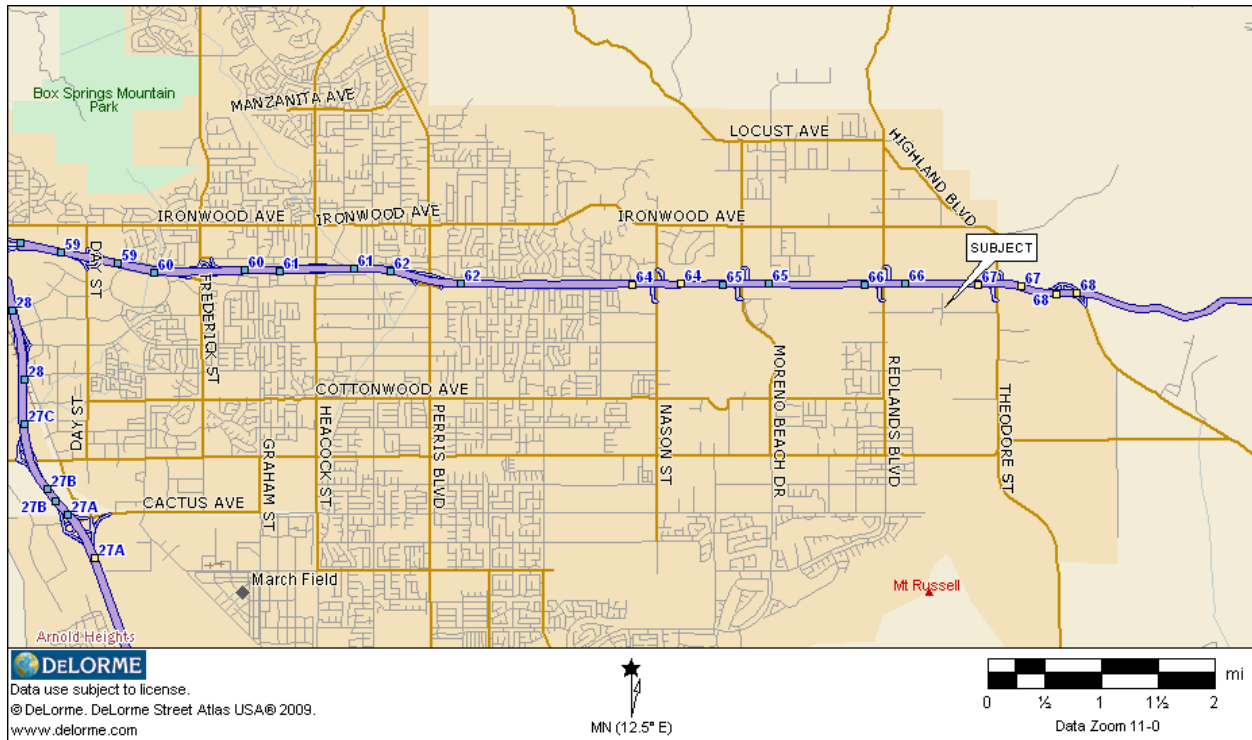
In 1978, the residents of California voiced their opposition to increasing taxes through the legislative process. This major consumer "tax revolt" culminated in the passage of Proposition 13, also known as

the Jarvis-Gann Initiative, which was later made into law under the provisions of Article XIII A of the California Tax and Revenue Code. In essence, Proposition 13 determined a maximum tax rate of one percent of market value plus an increment for pre-existing bonded indebtedness. The maximum allowable increase on property assessments, and hence taxes, was set at two percent per year, except when a property sells or undergoes major construction.

CONCLUSION

California has historically been the dominant economic state in the western United States. Trends in the state have typically mirrored the nation, although it has generally followed, versus led, the economic cycles. The state of California, Southern California region, and Inland Empire economies all contracted in 2009. Resumed growth is not projected until 2011, or later. Specific locations within the region are experiencing varying levels of decline, and these adverse economic conditions have been considered in this analysis.

NEIGHBORHOOD ANALYSIS



LOCATION

The neighborhood is located in the city of Moreno Valley. The city of Moreno Valley is located in the northwest portion of Riverside County. The city of Moreno Valley and the subject’s immediate surroundings are discussed below. Please reference the subject’s location in the surrounding neighborhood on the accompanying page.

CITY OF MORENO VALLEY

The city of Moreno Valley, located in the northwestern section of Riverside County, was incorporated in December of 1984. The city totals 50 square miles and is generally located at the juncture of the Moreno Valley Freeway (State Highway 60) and the Escondido Expressway (Interstate 215). The city is bordered by unincorporated portions of Riverside County on the north and east, by the Lake Perris State Recreational Area and the city of Perris to the south, and by the March Air Base Reserve and the city of Riverside to the west.

Government

Moreno Valley is a general law city. It is governed by a city council that is comprised of five elected officials. Public schools within the city are controlled by two separate districts: Moreno Valley Unified School District and the Val Verde Unified School District. Police services are provided by a contract between the city and Riverside County Sheriff’s Department. Fire services are provided by the

Riverside County Fire Department through a contract with the California Department of Forestry. The city of Moreno Valley governs development/land use controls.

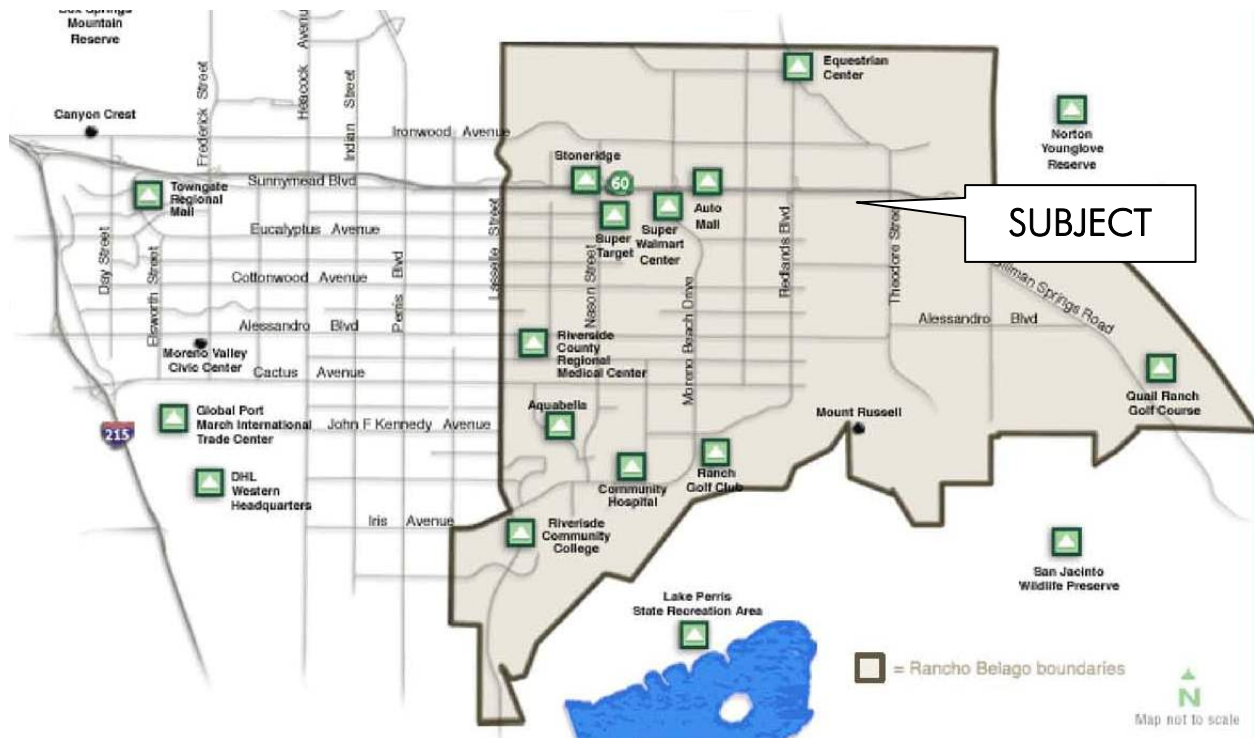
Transportation

Two freeways provide regional access to Moreno Valley: the Escondido Expressway (Interstate 215) and the Moreno Valley Freeway (Highway 60). Interstate 215 is a major north/south freeway that links the city to the San Bernardino Freeway (Interstate 10) to the north and to the Corona Freeway (Interstate 15) to the south. State Highway 60 runs through the northern portion of the city in an east/west direction. This freeway provides access to San Bernardino and Los Angeles Counties to the west, and to the Interstate 10 freeway to the east.

The city is also serviced by rail with freight stops within Moreno Valley. The Ontario International Airport provides commercial air transportation approximately 20 miles to the northwest.

RANCHO BELAGO

The subject property is located within the Rancho Belago district within the city of Moreno Valley. This district is located in the eastern portion of the city, with the following map depicting the general boundaries.



Rancho Belago includes a current population of about 30,000 within 10,000 households. Included in the boundaries are the Riverside County Regional Medical Center, Moreno Valley Community Hospital, Moreno Valley Ranch Golf Club, Moreno Valley Auto Mall, and Stoneridge Towne Centre, which includes Super Target, Best Buy, Kohls and Wal-Mart.

IMMEDIATE SURROUNDINGS

The subject is located on the south side of the 60 Freeway, between Redlands Boulevard and Theodore Avenue in the eastern portion of the city. The immediate surrounding area is largely undeveloped, with the nearest housing development about one-half mile to the southwest across Redlands Boulevard. Scattered individual homes and vacant land are located to the east of Theodore Avenue. Across the freeway to the north is vacant land. Super Target, Wal-Mart and Kohls are located along the south side of the freeway within two miles to the west, adjacent to the Moreno Valley Auto Mall.

The subject parcels are located on the west and east sides of the Skechers distribution facility, which will be the largest building of its kind in the Inland Empire upon its completion in early 2011. The parcels are situated near the Redlands Boulevard and Theodore Street exits that will provide access to this facility

Access

The subject sites will have excellent access from the freeway at the Theodore Avenue and Redlands Boulevard exits. The 60 Freeway intersects the 215 Freeway within 8 miles to the west and connects with Interstate 10 in Beaumont within 10 miles to the east. Alessandro Boulevard is a major east-west route through the city that runs about one mile south of the subject, providing access to central Moreno Valley. Gilman Springs Road connects the area with San Jacinto and Hemet, within 15 miles to the southeast.

DEMOGRAPHICS

Selected neighborhood demographics in a one-, three-, and five-mile radius from the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS

	Radius 1.0	Radius 3.0	Radius 5.0
Population			
2014 Population	1,020	16,207	96,227
2009 Population	781	12,794	80,567
2000 Population	334	6,589	53,623
1990 Population	234	5,092	44,790
Growth 2009 - 2014	30.60%	26.68%	19.44%
Growth 2000 - 2009	133.83%	94.17%	50.25%
Growth 1990 - 2000	42.74%	29.40%	19.72%
Households			
2014 Households	297	4,844	25,445
2009 Households	228	3,834	21,543
2000 Households	99	1,959	14,656
1990 Households	69	1,496	12,906
Growth 2009 - 2014	30.26%	26.34%	18.11%
Growth 2000 - 2009	130.30%	95.71%	46.99%
Growth 1990 - 2000	43.48%	30.95%	13.56%
Income			
2009 Median HH Inc	\$80,210	\$78,491	\$63,312
2009 Estimated Average Household Income	\$97,085	\$94,622	\$73,167
2009 Estimated Per Capita Income	\$28,861	\$28,033	\$19,711

Source: CBRE

CONCLUSION

The subject parcel locations along the freeway will provide excellent accessibility and exposure for the sites. The commercial zoned parcels are located at the freeway exits surrounding the new Skechers facility. As shown above, the surrounding Rancho Belago district has substantially higher income levels than the entire Riverside County and Inland Empire figures. The master-planned area surrounding the subject is expected to experience significant growth over the next five years.

MARKET ANALYSIS

The subject parcels include commercial and light industrial zones that could accommodate a variety of retail, office or business park type properties. The following sections include a general overview of the Inland Empire trends from the second quarter CBRE MarketView reports.

Industrial Trends

Prior to becoming a bedroom community, the Inland Empire housed only large, relatively undesirable, manufacturing plants such as Kaiser Steel. In the 1980s, large warehouse/distribution buildings dominated new industrial development. Most of this new construction occurred near the intersection of the San Bernardino and Ontario Freeways, just east of the Ontario International Airport. These trends continued in the second half of the 1990's and into the 2000's as a substantial amount of distribution space has been completed since 1995. The Inland Empire was able to meet this demand due to the availability of relatively inexpensive land and the area's excellent air freight and surface access (both vehicular and rail). Its location in the eastern section of development in the Southern California region also allowed for both good regional and national access.

Based on statistics in the second quarter 2010 Market View, prepared by CB Richard Ellis, Inc., the Inland Empire Industrial Market consists of two distinct markets: Inland Empire East and Inland Empire West. The Inland Empire East region is the smaller of the two submarkets, containing 156,374,580 square feet and accounting for 39.32% of the industrial space in the Inland Empire region. Combined the two markets contain 397,667,625 square feet. The growth of the industrial base for the Inland Empire region has generally been on an upward trend over the last three years. The rapid growth of the industrial market is due to the substantial availability of vacant land in the Inland Empire, the lower land prices relative to Los Angeles County, improving distribution systems out of the ports of Los Angeles and Long Beach, as well as the region's proximity to the Ontario International Airport. The Inland Empire region currently has 243,000 square feet of space under construction.

As of the second quarter 2010, approximately 29,268,084 square feet was vacant, indicating a vacancy rate of 7.40%. As the vacancy rate decreased from the previous quarter, net absorption showed a positive 3,564,516 square feet of vacant space was absorbed. The availability rate, which includes space available for sale/lease that is not vacant, is at 15.70%, decreasing from 15.90% the previous quarter. The second quarter 2010 gross lease and sale activity totaled approximately 8.10 million square feet, which is up from the 6.83 million square feet from the previous quarter. Year end gross activity figures for the past seven years were 23.4, 19.8, 28.7, 32.5, 34.8, 32.5, and 26.9 million square feet, for 2009, 2008, 2007, 2006, 2005, 2004, and 2003, respectively.

The Inland Empire Market Trends Forecast from the CBRE-EA Summer 2010 Outlook includes historical trends and projections for 2010 and beyond. The underlying source data is from the first quarter of 2010.

INLAND EMPIRE INDUSTRIAL MARKET

Year	Stock (SF x 1000)	Completions (SF x 1000)	Vacancy Rate (%)	Net Absorption (SF x 1,000)	TWR Rent Index (\$/SF/Mo)	TWR Rent Inflation (%)
1990	191,273	14,888	17.7%	6,906	\$0.33	-5.7%
1991	196,046	4,773	17.3%	4,778	\$0.31	-5.8%
1992	198,773	2,727	15.8%	5,131	\$0.31	-1.6%
1993	200,095	1,322	13.0%	6,838	\$0.31	-0.3%
1994	201,299	1,204	10.7%	5,641	\$0.31	-0.8%
1995	208,666	7,367	9.0%	10,089	\$0.31	1.6%
1996	215,138	6,472	9.0%	5,916	\$0.32	4.3%
1997	225,009	9,871	8.6%	9,763	\$0.36	9.5%
1998	234,694	9,685	8.9%	8,208	\$0.38	7.7%
1999	250,640	15,946	9.3%	13,404	\$0.42	10.0%
2000	272,764	22,124	8.2%	23,123	\$0.47	11.9%
2001	292,347	19,583	10.9%	10,099	\$0.47	0.0%
2002	307,337	14,990	9.9%	16,262	\$0.44	-6.9%
2003	320,216	12,879	8.3%	16,740	\$0.45	2.7%
2004	336,451	16,235	6.9%	19,724	\$0.47	5.2%
2005	354,760	18,309	6.0%	20,210	\$0.51	8.6%
2006	387,204	32,444	7.7%	23,719	\$0.58	12.8%
2007	407,697	20,493	9.2%	12,776	\$0.62	6.9%
2008	434,096	26,399	14.8%	(230)	\$0.56	-9.7%
2009	438,138	4,042	15.8%	(920)	\$0.42	-25.1%
2010	440,176	2,038	15.9%	1,476	\$0.37	-12.7%
2011	443,568	3,393	15.4%	5,155	\$0.38	2.5%
2012	445,658	2,089	14.1%	7,330	\$0.42	10.9%
2013	448,252	2,595	12.7%	8,551	\$0.47	12.0%
2014	452,796	4,544	11.7%	8,291	\$0.51	10.2%
2015	459,761	6,965	11.4%	7,848	\$0.55	7.6%

Source: TWR Outlook Summer 2010

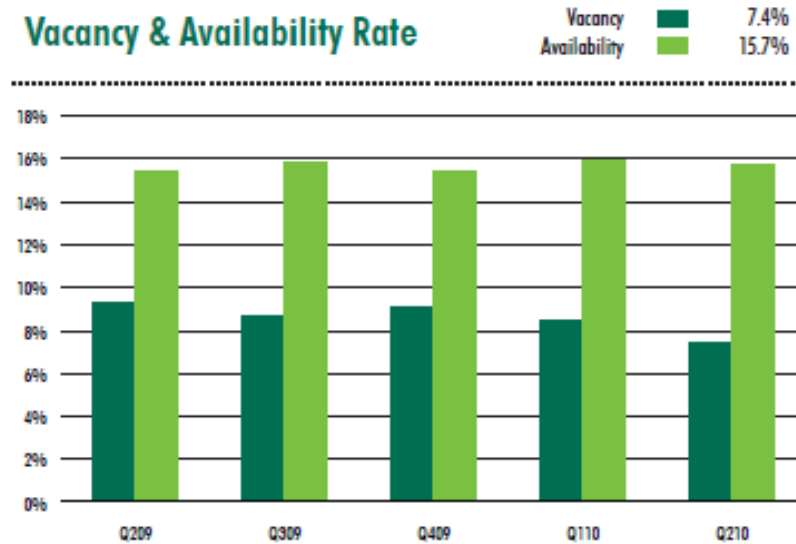
Statistics from the CBRE – MarketView reports from 2nd quarter 2010 are summarized in the following chart.

Submarket	Rentable Area	Vacancy Rate %	Net Absorption SF	Under Construction SF	Average Asking Lease Rate	Availability Rate %
Inland Empire East	156,374,580	11.1%	820,996	190,000	\$0.33	18.7%
Inland Empire West	241,293,045	4.9%	2,743,520	53,000	\$0.35	13.8%
Market Total	397,667,625	7.4%	3,564,516	243,000	\$0.34	15.7%

As indicated above, the Inland Empire West submarket features a significantly lower vacancy rate than the Inland Empire East submarket. This is the result of the Inland Empire West submarket including the cities of Ontario, Rancho Cucamonga, Fontana, Mira Loma and Chino, which are the closest to Los Angeles County and the Ports of Los Angeles and are therefore more desirable in the market.

The overall Inland Empire vacancy rate decreased to 7.4%, denoting a 13% decline from the first quarter’s rate of 8.5%. Both the Inland Empire East and West recorded lowered vacancy levels. The Inland Empire East submarket vacancy decreased from 12.2% in the previous quarter to 11.1% this quarter. In the Inland Empire West submarket, the vacancy rate now stands at 4.9%, representing a 20% decline from 6.1% recorded in the first quarter 2010.

The overall Inland Empire availability rate experienced a minimal decline of less than 2% this quarter, dropping to a rate of 15.7%. The Inland Empire East availability rate decreased to 18.7%, while the availability rate in the Inland Empire West increased from 13.3% in the previous quarter to 13.8% this quarter.



Retail Trends

The Inland Empire retail market continues to struggle while the rest of Nation is experiencing a “recovery”. Over the past year, the Inland Empire region faced one of the worst-ever economic crisis due to the high volume of foreclosures and plummeting home values. Moving forward into the second quarter of 2010, optimism can be felt as signs of increased trade volumes and improvements in the housing market are being witnessed. As with the first quarter, news of improved home values coupled with reports of employment growth appear to be evidence that while the region’s economy is on a slow, steady path to a full recovery, the worst is officially behind us.

Quick Stats

	Current	Change from last	
		Yr.	Qtr.
Vacancy	11.7%	↓	↑
Lease Rates	\$2.12	↓	↔
Net Absorption*	(36,811)	↑	↓
Construction	0 SF	↓	↓

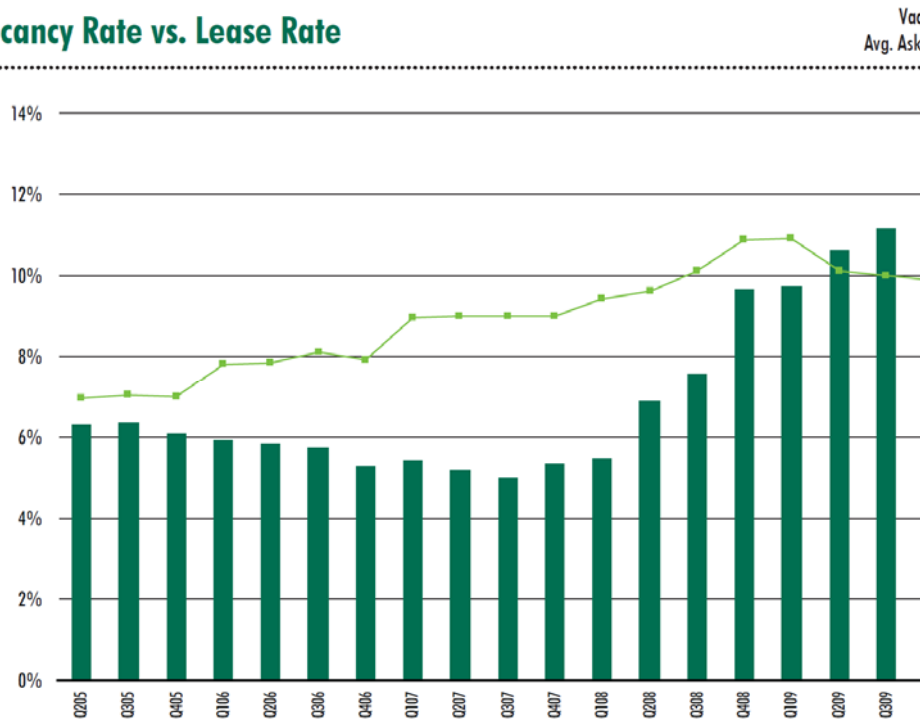
* The arrows are trend indicators over the specified time period and do not represent a positive or negative value. (e.g., absorption could be negative, but still represent a positive trend over a specified period.)

Hot Topics

- New housing incentives for buyers and lenders are expected to help decrease the number of foreclosure reporting's and help the region's housing economy to stabilize.
- Overall unemployment rate continues to decrease. Second quarter 2010 ends with a rate of 13.9 percent in the Inland Empire.
- Average asking lease rates remained stable for the third quarter in a row and ended with a rate of \$2.12 per square foot per month.

According to the U.S. Commerce Department, total retail sales in the month of May saw a 1.2% decline over April – still, this represents a 6.3% year-over-year increase. Despite the drop of sales from the prior month, retail sales in some sectors did report slight increases, including furniture and home furnishing stores which increased 1.0% since the month of April, and represent a 4.6% year-over-year increase. Sporting goods, hobby, book and music stores sales also experienced increases of just under 1.0% and 3.3% unadjusted over last year. Finally, electronics and appliance stores sales increased 0.6% seasonally adjusted from last month, and 4.6% percent unadjusted over last year. Consumer confidence experienced a sharp decline in June according to the Conference Board Consumer Confidence Index. The index now stands at 52.9, down from 62.7 recorded the month prior.

Vacancy Rate vs. Lease Rate



The Inland Empire retail market experienced a slight increase to the overall vacancy rate which currently stands at 11.7 percent. The rise in vacancy can be attributed to declining demand by retailers which resulted in a relatively flat 36,811 square feet of negative net absorption. As expected, this figure reflects the continued closure of stores and space being put back on the market. Average

asking retail lease rates, however, remained stable for the third quarter in a row. The quarter closed with a high average asking lease rate of \$2.12 per square foot per month and the low average asking lease rate posting \$1.68 per square foot per month.

Construction of new retail centers in the Inland Empire remains non-existent. A steady trend of positive momentum in the local economy must be achieved before developers move forward with plans for new centers. There has been only one new property added to the Inland Empire’s retail inventory this year, while all formerly active development projects have been halted indefinitely.

Market Statistics

Submarket	Building SF	Vacancy Rate %	Net Absorption SF	Under Construction SF	Avg. High Asking NNN \$/PSF/MTH
EAST END	31,271,412	21.3%	(105,388)	—	\$1.91
HIGH DESERT	7,248,523	6.8%	(340)	—	\$2.18
LOW DESERT	14,240,891	8.8%	69,241	—	\$2.11
SO. RIV COUNTY	16,724,737	7.7%	(23,917)	—	\$2.19
WEST END	36,389,566	7.3%	23,593	—	\$2.28
Inland Empire Total	105,875,129	11.7%	(36,811)	—	\$2.12

Office Trends

Based on statistics in the CB Richard Ellis, Inc. – second quarter 2010 Market View, the Inland Empire office market totals 24,474,375 square feet in 687 buildings. As of the second quarter of 2010, approximately 5,814,585 square feet was vacant, indicating a vacancy rate of 23.80%, which is slightly lower than the 24.00% in the first quarter of 2010, and higher than one year ago. Inland Empire East experienced negative net absorption while the West submarket experienced positive net absorption levels for a combined result of negative 4,782 square feet.

The average asking rental rate is \$1.80 per square foot per month, full service gross. This rate is nine cents lower than the previous quarter. Over the past eight years, the Inland Empire office market average asking lease rate has risen 23.29% from \$1.46 per square foot during the third quarter of 2001.

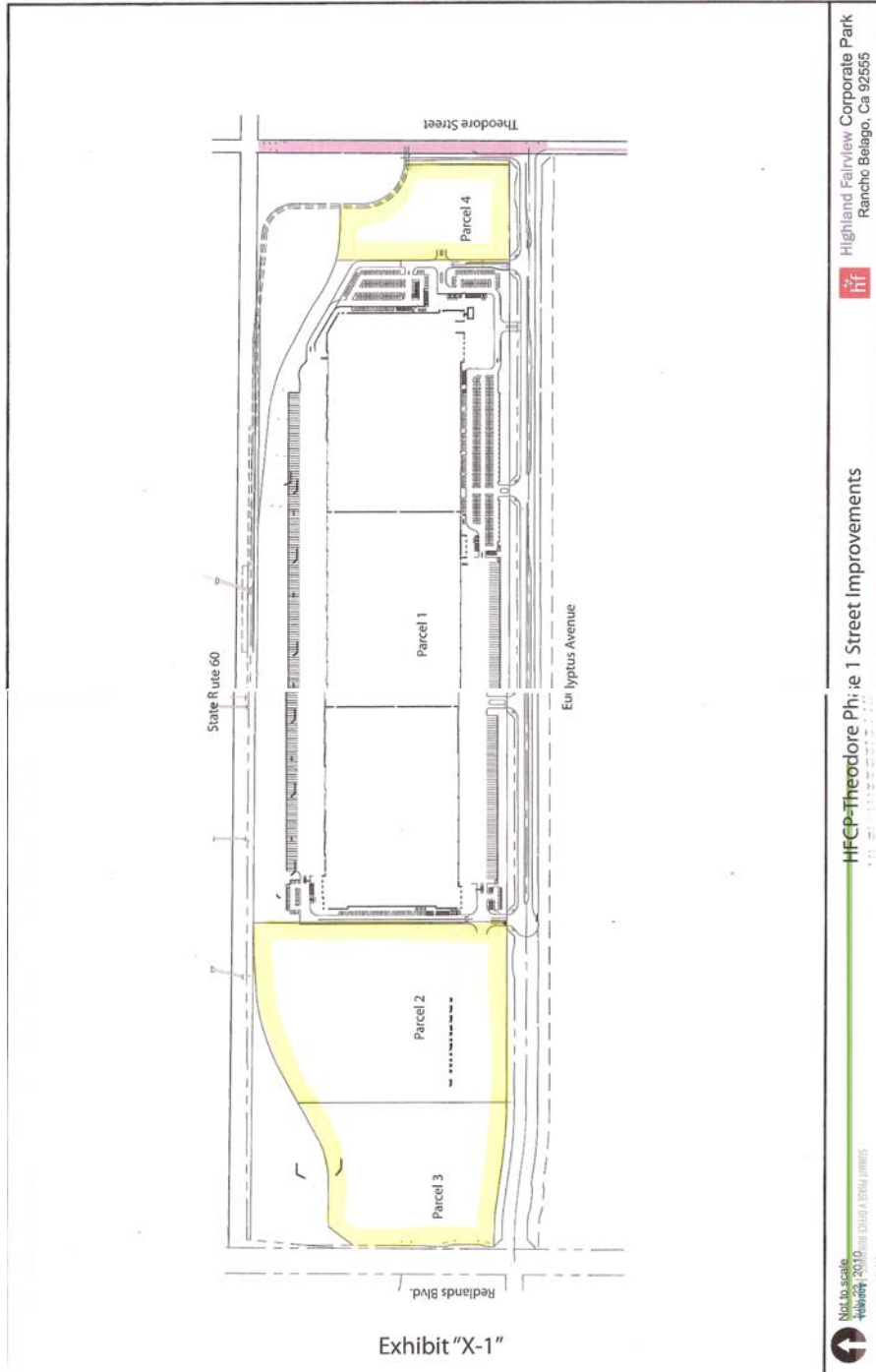
The largest office markets are in the cities of Riverside and San Bernardino, with 6.53 and 4.23 million square feet, respectively. These are the two most mature markets; however, they have evolved to be in somewhat secondary locations with regards to tenants relocating from Los Angeles County due to more outlying locations. Specifically, Riverside is closer to the Orange County office markets, while Ontario and Rancho Cucamonga are closer to Los Angeles County. Ontario has a predominantly Class A base, while Rancho Cucamonga has primarily Class B office space.

The city of Moreno Valley includes 21 office buildings totaling 629,064 square feet. As of the second quarter of 2010, the vacancy rate was 7.0% with an availability rate of 10.8%. Year-to-date net absorption was a negative 14,262 square feet.

Conclusions

The subject property consists of three parcels located along the 60 Freeway in Moreno Valley, adjacent to a large distribution facility under construction for Skechers. Parcels 3 and 4 are zoned for commercial use and located at the freeway off-ramps. These properties will benefit from the traffic generated by the new Skechers facility and infra-structure being completed in the neighborhood, including renovation of the freeway ramps and completion of Eucalyptus Avenue between Redlands Boulevard and Theodore Avenue. Parcel 2 is zoned for light industrial use and has good freeway access and exposure for the potential expansion of the Skechers project or other future business park related development.

PLAT MAP



SITE ANALYSIS

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY		
Physical Description		
Site Areas - Gross		
Parcel 2	24.33 Acres	1,059,815 Sq. Ft.
Parcel 3	13.87 Acres	604,177 Sq. Ft.
Parcel 4	7.70 Acres	335,412 Sq. Ft.
Site Areas - Net		
Parcel 2	22.40 Acres	975,744 Sq. Ft.
Parcel 3	12.90 Acres	561,924 Sq. Ft.
Parcel 4	7.20 Acres	313,632 Sq. Ft.
Primary Road Frontage	Eucalyptus Avenue	
Secondary Road Frontage	Redlands Boulevard	
Additional Road Frontage	Theodore Avenue ± 513 Feet	
Excess Land Area	None	
Surplus Land Area	None	
Zoning District	CC - Parcels 3 and 4 IL - Parcel 2	
Flood Map Panel No. & Date	06065C 0070G	28-Aug-08
Flood Zone	Zone X	
Source: Various sources compiled by CBRE		

LAND AREAS

The gross site areas were obtained from Tentative Parcel Map No. 35629, which is included in the Addenda. Based on a review of the site plan, the difference between the gross and net areas is based on detention basins and a maintenance access road along the north property line and street dedications.

ASSESSOR’S PARCEL NUMBER

Parcel 2 is currently a portion of APN No. 488-350-002. Parcel 3 is currently included within APN No. 488-350-001. Parcel 4 is currently a portion of APN Nos. 488-360-007 and 488-360-008.

SHAPE AND FRONTAGE

The site are irregular and have frontage along the adjacent streets. All of the parcels will have frontage along Eucalyptus Avenue. Parcels 2 and 3 will also have frontage along the new east-bound freeway onramp from Redlands Boulevard to the 60 Freeway. Parcel 4 will have frontage along the exit ramp for eastbound traffic to Theodore Avenue.

TOPOGRAPHY AND DRAINAGE

Parcels 2 and 3 have been graded to level “blue-top” pads. Parcel 4 is currently used for construction trailers for the Skechers facility and is generally level. This site will be finished graded upon completion of the building construction.

Storm drains are currently under construction between the Skechers parcel and Parcel 2. The completion of the site improvements are assumed to cure any drainage problems.

SOILS

A soil analysis for the site has not been provided for the preparation of this appraisal. In the absence of a soil report, it is a specific assumption that the site has adequate soils to support the highest and best use.

EASEMENTS AND ENCROACHMENTS

We have not reviewed a current title report for the subject property. The Tentative Parcel Map No. 35629 listed several easements impacting the subject and surrounding parcels. These include easements for pole lines, conduits, underground facilities, and utilities. We assume that the subject is not impacted by easements that would negatively impact the value. It is recommended that the client obtain a qualified legal opinion with regards to the reports before making a business decision with regards to the subject property.

COVENANTS, CONDITIONS AND RESTRICTIONS

There are no known covenants, conditions and restrictions impacting the site that are considered to affect the marketability or highest and best use, other than zoning restrictions.

UTILITIES AND SERVICES

The site is within the jurisdiction of the City of Moreno Valley and is provided all municipal services, including police, fire and garbage collection. All utilities are available to the site in adequate quality and quantity to service the highest and best use.

FLOOD ZONE

According to flood hazard maps published by the Federal Emergency Management Agency (FEMA), the site is within Zone X as indicated on the indicated Community Map Panel No. 06065C0770G, August 28, 2008.

FEMA Zone X: Areas determined to be outside the 500-year flood plain.

ENVIRONMENTAL ISSUES

CB Richard Ellis, Inc. has not observed, yet is not qualified to detect, the existence of potentially hazardous material or underground storage tanks, which may be present on or near the site. The existence of hazardous materials or underground storage tanks may have an affect on the value of the property. For this appraisal, CB Richard Ellis, Inc. has specifically assumed that the property is not affected by any hazardous materials and/or underground storage tanks that may be present on or near the property.

EARTHQUAKE

All properties in California are subject to some degree of seismic risk. The Alquist-Priolo Special Studies Zone Act of 1972 was enacted by the State of California to regulate development near active earthquake faults. The Act required the State Geologist to delineate “special studies zones” along known active faults in California. Cities and Counties affected by the identified zones must limit certain development projects within the zones unless geologic investigation demonstrates that the sites are not threatened by surface displacement from future faulting.

According to “Fault-Rupture Hazard Zones in California” published in 1992 by the California Department of Conservation, Department of Mines and Geology, the subject is not within an area affected by the Alquist-Priolo Special Studies Zone Act. Related development limitations, therefore, do not apply.

ZONING

The following chart summarizes the subject’s zoning requirements.

ZONING SUMMARY - PARCEL 2	
Current Zoning	LI (Light Industrial)
Specific Plan	Yes
Specific Plan Land Use	Light manufacturing, light industrial, research and development, warehousing and distribution and multitenant industrial uses, as well as certain supporting administrative and professional offices and commercial uses on a limited basis
Zoning Change	Not likely
Source: Planning & Zoning Dept.	

ZONING SUMMARY - PARCELS 3 & 4	
Current Zoning	CC (Community Commercial)
Specific Plan	Yes
Specific Plan Land Use	To provide for the general shopping needs of area residents and workers with a variety of business, retail, personal and related or similar services
Zoning Change	Not likely
Source: Planning & Zoning Dept.	

ANALYSIS AND CONCLUSION

Additional information may be obtained from the appropriate governmental authority.

TAX AND ASSESSMENT DATA

In California, privately held real property is typically assessed at 100% of full cash value (which is interpreted to mean market value of the fee simple estate) as determined by the County Assessor. Generally, a reassessment occurs only when a property is sold (or transferred) or when new construction occurs (as differentiated from replacing existing construction). In the case of long-term ground leases, the general rule is that a reassessment is made at the time of assigning or terminating a lease where the remaining term is more than 35 years. For reassessment purposes, the lease term includes all options to extend. Assessments for properties that were acquired before the tax year 1975-1976 were stabilized as of the tax year 1975-1976. Property taxes are limited by state law to 1% of the assessed value plus voter-approved obligations and special assessments. If no sale (or transfer) occurs or no new building takes place, assessments may not increase by more than 2% annually. Taxes are payable in two equal installments, which become delinquent after December 10 and April 10, respectively.

The following table summarizes the most recent assessments and taxes for the parcels that include the subject sites.

2000-2010 ASSESSMENTS & TAXES						
Parcel No.	Assessments	Tax Rate	Taxes on Value	Sp. Assessments	Total Taxes	Eff. Tax Rate
488-350-001	\$1,081,997	1.04765%	\$11,336	\$347	\$11,683	1.080%
488-350-002	6,054,778	1.04765%	63,433	1,467	64,900	1.072%
488-360-007	957,208	1.04765%	10,028	144	10,172	1.063%
488-360-008	1,636,381	1.04765%	17,144	177	17,321	1.058%

Source: Riverside County Assessor

CONCLUSION

For purposes of this analysis we are assuming any outstanding property tax liability has been paid and CBRE assumes that all taxes are current. If the subject sold for the value estimate in this report, a reassessment at that value would most likely occur, with tax increases limited to two percent annually thereafter until the property is sold again. The consequences of this reassessment have been considered in the appropriate valuation sections.

HIGHEST AND BEST USE

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legal permissibility;
- physical possibility;
- financial feasibility; and
- maximum profitability.

The highest and best use analysis of the subject is discussed on the following pages. This analysis incorporates the information presented in the Market Analysis section, as well as any unique characteristics of the subject described previously.

AS VACANT

Legal Permissibility

The legally permissible uses were discussed in the Site Analysis and Zoning Sections.

Physical Possibility

The subject parcels are adequately served by utilities, and have adequate shapes and sizes, sufficient access, etc., to be separately developable sites. There are no known physical reasons why the subject sites would not support any legally probable development.

Financial Feasibility

The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. Development of new industrial and retail properties has occurred in the past few years. However, many proposed developments are no longer moving forward due to inadequate construction financing and market conditions (increasing vacancy, declining effective rental rates, higher cap rates, etc.). The adjacent building under construction is a build-to-suit for Skechers, who will contribute a significant capital investment. However, the completion of this project will enhance the marketability of the subject parcels for potential complementary commercial or industrial uses.

Maximum Profitability

The final test of highest and best use of the site as if vacant is that the use be maximally productive, yielding the highest return to the land. In the case of the subject parcels as if vacant, the analysis has indicated that future development of commercial properties on Parcels 3 and 4 and an industrial project on Parcel 2 would be most appropriate.

CONCLUSION: HIGHEST AND BEST USE AS VACANT

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the subject parcels would be to hold for future retail and industrial development when economic conditions improve.

APPRAISAL METHODOLOGY

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

COST APPROACH

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

SALES COMPARISON APPROACH

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons.

INCOME CAPITALIZATION APPROACH

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

METHODOLOGY APPLICABLE TO THE SUBJECT

In valuing the subject, only the sales comparison approach to land value has been used.

LAND VALUE

PARCEL 2 - INDUSTRIAL

The following location map and table of sales summarizes the comparable data used in the valuation of Parcel 2. A detailed description of each transaction is included in the Addenda.



SUMMARY OF COMPARABLE INDUSTRIAL LAND SALES							
No.	Property Location	Transaction		Zoning	Adjusted Sale Price ¹	Size (Acres)	Price Per SF
		Type	Date				
1	5425 Wilson Street, Unincorp. Riverside, CA	Sale	Apr-10	M-H	\$4,976,861	18.73	\$6.10
2	NWC Santa Ana Avenue and Willow Avenue, Rialto, CA	Sale	Jan-10	Industrial	\$6,450,000	17.78	\$8.33
3	NWC 4th & Nicholas, Beaumont, CA	Sale	Mar-10	Light Industrial	\$35,108,000	132.13	\$6.10
4	Btwn Markham/Nance, W. of Indian Avenue, Perris, CA	Listing	Jul-10	Industrial	\$4,392,000	19.08	\$5.28
5	SEC Sycamore Canyon Blvd. & Box Springs Blvd., Riverside, CA	Listing	Jul-10	Industrial	\$2,103,948	8.05	\$6.00
Subject	Parcel 2	---	---	LI (Light Industrial)	---	22.40	---

¹ Transaction amount adjusted for cash equivalency and/or development costs (where applicable)
Compiled by CBRE

Land Sale One

This is the April 2010 sale of an 18.73-acre, rectangular shaped site located on the north side of Wilson Street, between Auga Mansa Road on the west and Brown Avenue on the east, in an unincorporated portion of Riverside County north of the city of Riverside. It was sold by Fleetwood Motors Homes of California, which was in bankruptcy proceedings. The topography is level and all utilities are available to the site. A user acquired the site for \$4,976,861, or \$6.10 per square foot.

This comparable is inferior to the subject in location based on its secondary street exposure and inferior accessibility. This site is similar to Parcel 2 in size and shape.

Land Sale Two

This represents a 17.78-acre site located at the northwest corner of Santa Ana Avenue and Willow Avenue in the city of Rialto. It is situated approximately one mile south of the 10 Freeway. Surrounding uses primarily consist of industrial development. The site is rectangular in shape, has a level topography at street grade, and has all utilities available. The property previously sold in August 2009 for \$4,338,000 or \$5.60 per square foot. The buyer is an adjacent property owner. The property was previously purchased for \$11,995,764, or \$16.50 per square foot in October 2007, which included the onsite/offsite cost estimate of \$1,817,540. The seller had entitled the property for a single tenant cross dock facility; however, the entitlements had no value to the buyer who will build a truck terminal on the site.

This comparable is judged to be slightly inferior to the subject in location, with inferior exposure and accessibility. This property is similar to Parcel 2 in size and shape.

Land Sale Three

This is the sale of a 132 net acre finished site located at the northwest corner of 4th Street and Nicholas Road in the city of Beaumont, Riverside County. The site is situated adjacent south of the 60 Freeway, one half mile west of Beaumont Avenue. On-and off-ramps are available to the 10 Freeway at Beaumont Avenue. The 10 and 60 Freeway interchange is situated immediately north of the subject, one-half mile west of Beaumont Avenue. The site is fully improved and entitled for development. The streets are in and utilities are to the site. In approximately October 2009 Winco agreed to purchase the site from Prologis. The buyer will build a warehouse/distribution to their specifications on the site.

This comparable is judged to be similar to the subject in location, with freeway exposure near the intersection of Interstate 10 and the 60 Freeway versus its inferior access from the freeway. An upward adjustment is made for the subject's smaller size.

Land Sale Four

This is the listing of a 19.08-acre industrial site located between Markham and Nance Streets, just west of Indian Avenue, in the north and west of the intersection of Perris Boulevard and the Ramona Expressway in Perris. This comparable is located just east of Interstate 215. Surrounding uses consist of vacant land, industrial, agriculture and rural residential. The area is zoned for industrial development. The site is rectangular in shape, has a generally level topography, and utilities are near the site. It should be noted that Nance Street to the north is not fully built-out and the buyer may be required to pay for additional infrastructure. The site is listed for \$4,392,000, or \$5.28 per square foot. The site was purchased for \$3,900,000, or \$4.69 per square foot in December 2006 and \$1,908,000, or \$2.30 in July 2005.

This comparable is adjusted downward for its listing status. An upward adjustment is made for the subject's superior location with freeway exposure and superior access.

Land Sale Five

This is an 8.05-acre site located on the southeast corner of Sycamore Canyon Boulevard and Box Springs Boulevard, in the east part of the city of Riverside. This comparable is located west of Interstate 215. Surrounding uses consist of vacant land, recently built industrial buildings and a car dealership. The site is rectangular in shape, has a generally level topography, all curbs and gutters in place and all utilities are stubbed to the site. The broker indicated that he originally had this site on

the market for \$13.00/SF. However, given the slowdown in the market this site would most likely sell between \$2.50-\$3.00/SF in today's market.

This comparable is judged to be slightly inferior to the subject in location. Downward adjustments are made for smaller size and superior street improvements.

SUMMARY OF ADJUSTMENTS

The following table summarizes the adjustments warranted when comparing each sale to the subject.

LAND SALES ADJUSTMENT GRID - PARCEL 2					
Comparable Number	1	2	3	4	5
Transaction Type	Sale	Sale	Sale	Listing	Listing
Transaction Date	Apr-10	Jan-10	Mar-10	Jul-10	Jul-10
Zoning	M-H	Industrial	Light Industrial	Industrial	Industrial
Adjusted Sale Price ¹	\$4,976,861	\$6,450,000	\$35,108,000	\$4,392,000	\$2,103,948
Size (Acres)	18.73	17.78	132.13	19.08	8.05
Size (SF)	815,879	774,666	5,755,410	831,125	350,658
Price Per Acre	\$265,716	\$362,688	\$265,716	\$230,189	\$261,360
Price (\$ PSF)	\$6.10	\$8.33	\$6.10	\$5.28	\$6.00
Property Rights Conveyed	0%	0%	0%	0%	0%
Financing Terms ¹	0%	0%	0%	0%	0%
Conditions of Sale	0%	0%	0%	-20%	-20%
Market Conditions (Time)	0%	0%	0%	0%	0%
Subtotal	\$6.10	\$8.33	\$6.10	\$4.23	\$4.80
Size	0%	0%	10%	0%	-5%
Shape	0%	0%	0%	0%	0%
Frontage	0%	0%	0%	0%	0%
Topography	0%	0%	0%	0%	0%
Location	10%	5%	0%	20%	10%
Zoning/Density	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%
Highest & Best Use	0%	0%	0%	0%	0%
Total Other Adjustments	10%	5%	10%	20%	5%
Value Indication for Subject	\$6.71	\$8.74	\$6.71	\$5.07	\$5.04

¹ Transaction amount adjusted for cash equivalency and/or development costs (where applicable)
 Compiled by CBRE

CONCLUSION – PARCEL 2

Our interviews with area brokers indicates that no interest from developers exists for vacant land in the Inland Empire East based on the falling rental rates, availability of existing product and lack of feasibility in new speculative developments. However, the completion of the adjacent Skechers building and infrastructure surrounding the subject parcels should enhance the marketability of Parcel

2 for future industrial development. Considering the good freeway exposure and accessibility of the subject, and the current market conditions in the Inland Empire East, we have estimated a vacant land value of \$6 per square foot for Parcel 2 upon completion of the street improvements.

The “as-is” value is calculated by deducting the remaining land improvement costs to create finished parcels. The following chart summarizes the allocation of the remaining costs, which are detailed in the Addenda.

ALLOCATION OF REMAINING LAND IMPROVEMENT COSTS	
Total Costs - Parcels 2-4	\$8,427,536
Costs Incurred	4,143,993
Remaining Costs	<u>\$4,283,543</u>
Profit (10%)	428,354
Total	<u>\$4,711,897</u>
Total Acres	42.5
Per Acre	\$110,868
Allocation Based on Net Site Area	
Parcel 2 (22.4 acres)	\$2,483,447
Parcel 3 (12.9 acres)	\$1,430,199
Parcel 4 (7.2 acres)	\$798,251
Compiled by CBRE	

CONCLUDED LAND VALUE - PARCEL 2			
\$ PSF		Subject SF	Total
\$6.00	x	975,744	= \$5,854,464
Indicated Value - Finished Site:			\$5,850,000
Less: Remaining Land Improvement Costs			2,483,447
"As Is" Value			<u>\$3,366,553</u>
Rounded			\$3,370,000
Compiled by CBRE			

PARCELS 3 & 4 - COMMERCIAL

The following location map and table of sales summarizes the comparable data used in the valuation of Parcels 3 and 4. A detailed description of each transaction is included in the Addenda.



SUMMARY OF COMPARABLE COMMERCIAL LAND SALES

No.	Property Location	Transaction Type	Transaction Date	Zoning	Adjusted Sale Price ¹	Size (Acres)	Price Per SF
1	N/S Village Road, W/O Sunnymead Ranch Pk, Moreno Valley, CA	Sale	Jul-09	C-24	\$600,000	2.31	\$5.96
2	SWC Slover Ave & Sierra Ave, Fontana, CA	Sale	Aug-09	C-1	\$1,500,000	2.02	\$17.05
3	2120 Medical Center Drive, San Bernardino, CA	Sale	Nov-09	CO-1 commercial	\$1,050,000	2.19	\$11.01
4	SEC 215 Freeway & Nuevo Road, Perris, CA	Listing	Jun-10	Commercial	\$3,415,100	7.84	\$10.00
5	E/S of Monroe Avenue North of Fig Street, Murrieta, CA	Sale	Jun-09	MU-2	\$6,225,000	10.55	\$13.55
6	34965 Walt Road, Murrieta, CA	Sale	Apr-09	Commercial	\$1,002,054	2.16	\$10.65

Subject Parcels 3 & 4 --- --- CC (Commercial) --- 12.9 & 7.2 ---

¹ Transaction amount adjusted for cash equivalency and/or development costs (where applicable)
Compiled by CBRE

Analysis of Land Sales

The adjustment grid used in this section is based on the average size of the two subject parcels (10 acres). Both of the subject parcels have similar accessibility and exposure from the adjacent freeway, surrounding the Skechers site.

Land Sale One

This is a 2.31-acre commercially zoned pad in the Lakeshore Village Marketplace retail center at the southwest corner of Sunnymead Ranch Road and Village Road in the city of Moreno Valley. The buyer owns the adjacent Lakeshore Village Marketplace and purchased the site for future expansion opportunities. This site does not have frontage to Sunnymead Ranch Road, which is the center's primary arterial. There are no entitlements on the site. The property sold for \$600,000, or \$5.96 per square foot. The property sold in May 2007 for \$1,550,000, or \$15.40 per square foot, indicating a 61.3% decline in value.

This comparable is adjusted downward for its date of sale in mid-2009 and its comparatively smaller size. A large upward adjustment is made for the subject's superior location along the freeway and street frontage.

Land Sale Two

This is the sale of a 2.52-acre (2.02-net-acre) commercial parcel on the southwest corner of Slover Avenue and Sierra Avenue in Fontana. The rectangular site is generally level and has all utilities available. The site is zoned commercial and was in raw condition at the time of sale. The site is encumbered by a deed restriction, which obligates a .50-acre public access drive and that the property can only be utilized as a service station. The buyer stated that this had no impact on the purchase price, as he has the ability to change or remove the restriction, but the .50 acres has been deducted from the 2.52 gross acres. The buyer contacted the seller directly and purchased the site in August 2009 for \$1,500,000, or \$17.05 per square foot of usable land area, with the intention of constructing a service station. The buyer reported that site improvements, including curbs, gutters, street lights, landscaping, and internal street access, totaled approximately \$300,000, but were not included in the purchase price.

This comparable is adjusted downward for its smaller size, superior location and date of sale.

Land Sale Three

This is the sale of a 2.19-acre commercial site located on the west side of Medical Center Drive just south of Highland Avenue in the city of San Bernardino. Surrounding uses are a mix of residential and warehouse industrial, with the Community Hospital located less than 1/2 mile to the south. The

Foothill (I-210) Freeway is located 1/4 mile to the northwest. The site is zoned commercial office, is irregularly shaped, but has good street frontage. The property was listed at \$975,000, or \$10.22 per square foot. Therefore, the purchase price was 8% above the listing price. According to the broker, the buyer intends to develop a medical office building.

This comparable is adjusted downward for its smaller size and slightly superior location in relation to the subject parcels. Upward adjustments are made for its inferior street frontage and shape.

Land Sale Four

This is a 7.84-acre commercial site located in a larger development at the southeast corner of the 215 Freeway and Nuevo Road in the city of Perris. Surrounding uses include the developed portion of the center adjacent east with tenants such as Big Lots, Big 5, and Stater Bros. There is a Food 4 Less grocery anchored center adjacent north, and significant residential development south and east, including a high school. Development west of the freeway is more spread out, which includes some partially completed single family housing tracts. The site is irregular in shape, has a generally level topography, and all utilities are available. The site is bank-owned and was auctioned off in mid 2009, with the winning bid opening escrow in late 2009. According to sources familiar with the transaction, the asking price was \$10.00 per square foot, and the winning bid and subsequent escrow (which was below the advertised asking price) was recently cancelled.

This comparable is adjusted upward for its conditions of sale based on the motivations of the seller, which is offset by the winning bid being below the asking price. The subject location along the freeway in Moreno Valley is superior to this property. The subject sites also have superior street frontage.

Land Sale Five

This represents a 10.55-acre site located along the east side of Monroe Avenue north of Fig Street in the city of Murrieta. It is situated adjacent west of the 15/215 Freeway interchange. The property is irregular in shape, has a level topography, and was purchased for the purpose of constructing a private education center on the site. The land sold raw for \$4,500,555 but required approximately \$1,725,000 in off-site and site finishing costs. The total investment in the finished site was thus \$6,225,000 or \$13.55 per square foot. The escrow took one year to close and the market value dropped significantly since the agreed price was negotiated.

This comparable is adjusted downward for market conditions based on the long escrow price. This site is also slightly superior to the subject in location based on its surrounding demographics, despite its inferior accessibility from the freeway. The subject sites have superior corner street frontage.

Land Sale Six

This site is located along the eastern side of Interstate Highway 215 at the southwest corner of Joan Dunn Lane and Walt Road in the city of Murrieta, Riverside County, CA. The site was vacant at the time of acquisition and was acquired as a portion of an assemblage by the buyers for future hospital development. The proposed hospital is to contain 106 beds with 2 procedure rooms, 12 labor and delivery beds and a full service emergency center.

This comparable is adjusted downward for market conditions and its comparatively smaller size. This site is also slightly superior to the subject in location based on its surrounding demographics, despite its inferior accessibility from the freeway.

SUMMARY OF ADJUSTMENTS

The following table summarizes the adjustments warranted when comparing each sale to the subject.

LAND SALES ADJUSTMENT GRID - PARCELS 3 & 4						
Comparable Number	1	2	3	4	5	6
Transaction Type	Sale	Sale	Sale	Listing	Sale	Sale
Transaction Date	Jul-09	Aug-09	Nov-09	Jun-10	Jun-09	Apr-09
Zoning	C-24	C-1	CO-1	Commercial	MU-2	Commercial
Adjusted Sale Price ¹	\$600,000	\$1,500,000	\$1,050,000	\$3,415,100	\$6,225,000	\$1,002,054
Size (Acres)	2.31	2.02	2.19	7.84	10.55	2.16
Size (SF)	100,624	87,991	95,396	341,510	459,558	94,090
Price (\$ PSF)	\$5.96	\$17.05	\$11.01	\$10.00	\$13.55	\$10.65
Property Rights Conveyed	0%	0%	0%	0%	0%	0%
Financing Terms ¹	0%	0%	0%	0%	0%	0%
Conditions of Sale	0%	0%	0%	0%	0%	0%
Market Conditions	-5%	-5%	0%	0%	-20%	-10%
Subtotal	\$5.66	\$16.19	\$11.01	\$10.00	\$10.84	\$9.58
Size	-5%	-5%	-5%	0%	0%	-5%
Shape	0%	0%	5%	0%	0%	0%
Frontage	15%	0%	10%	10%	5%	0%
Topography	0%	0%	0%	0%	0%	0%
Location	25%	-15%	-10%	5%	-10%	-10%
Zoning/Density	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	0%
Highest & Best Use	0%	0%	0%	0%	0%	0%
Total Other Adjustments	35%	-20%	0%	15%	-5%	-15%
Value Indication for Subject	\$7.65	\$12.96	\$11.01	\$11.50	\$10.29	\$8.15

¹ Transaction amount adjusted for cash equivalency and/or development costs (where applicable)
 Compiled by CBRE

CONCLUSION – PARCELS 3 & 4

These parcels have good accessibility and exposure from the adjacent freeway and will benefit from the completion of the adjacent Skechers building and street improvements. However, few commercial

land sales have occurred in the surrounding market in the last year based on the economic conditions. Considering the good freeway exposure and accessibility of the subject, and the current market conditions in the Inland Empire East, we have estimated a vacant land value of \$9 per square foot for Parcels 3 and 4 upon completion of the street improvements. Although Parcel 4 is slightly smaller and located adjacent to the Skechers main entrance, Parcel 3 is situated at Redlands Boulevard, which is closer to the existing major retail developments to the west and should have higher traffic counts upon completion of the interchange and Skechers improvements.

The “as-is” value is calculated by deducting the remaining land improvement costs to create finished parcels. The following chart summarizes the allocation of the remaining costs, which are detailed in the Addenda.

ALLOCATION OF REMAINING LAND IMPROVEMENT COSTS	
Total Costs - Parcels 2-4	\$8,427,536
Costs Incurred	4,143,993
Remaining Costs	<u>\$4,283,543</u>
Profit (10%)	428,354
Total	<u>\$4,711,897</u>
Total Acres	42.5
Per Acre	\$110,868
Allocation Based on Net Site Area	
Parcel 2 (22.4 acres)	\$2,483,447
Parcel 3 (12.9 acres)	\$1,430,199
Parcel 4 (7.2 acres)	\$798,251
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Compiled by CBRE	

CONCLUDED LAND VALUE - PARCEL 3

\$ PSF		Subject SF		Total
\$9.00	x	561,924	=	\$5,057,316

Indicated Value - Finished Site: \$5,060,000

Less: Remaining Land Improvement Costs 1,430,199

"As Is" Value \$3,629,801

Rounded \$3,630,000

Compiled by CBRE

CONCLUDED LAND VALUE - PARCEL 4

\$ PSF		Subject SF		Total
\$9.00	x	313,632	=	\$2,822,688

Indicated Value - Finished Site: \$2,820,000

Less: Remaining Land Improvement Costs 798,251

"As Is" Value \$2,021,749

Rounded \$2,020,000

Compiled by CBRE

ASSUMPTIONS AND LIMITING CONDITIONS

1. Unless otherwise specifically noted in the body of the report, it is assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE is not aware of any title defects nor has it been advised of any unless such is specifically noted in the report. CBRE, however, has not examined title and makes no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title have not been reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject's title should be sought from a qualified title company that issues or insures title to real property.
2. Unless otherwise specifically noted in the body of this report, it is assumed: that the existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. CBRE professionals are not engineers and are not competent to judge matters of an engineering nature. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. Unless otherwise specifically noted in the body of the report: no problems were brought to the attention of CBRE by ownership or management; CBRE inspected less than 100% of the entire interior and exterior portions of the improvements; and CBRE was not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, relative to the condition of improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, CBRE reserves the right to amend the appraisal conclusions reported herein.
3. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property was not observed by the appraisers. CBRE has no knowledge of the existence of such materials on or in the property. CBRE, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

We have inspected, as thoroughly as possible by observation, the land; however, it was impossible to personally inspect conditions beneath the soil. Therefore, no representation is made as to these matters unless specifically considered in the appraisal.

4. All furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the report unless otherwise stated. Any existing or proposed improvements, on or off-site, as well as any alterations or repairs considered, are assumed to be completed in a workmanlike manner according to standard practices based upon the information submitted to CBRE. This report may be subject to amendment upon re-inspection of the subject subsequent to repairs, modifications, alterations and completed new construction. Any estimate of Market Value is as of the date indicated; based upon the information, conditions and projected levels of operation.
5. It is assumed that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise specifically noted in the appraisal report. Unless otherwise specifically noted in the appraisal report, CBRE has no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, CBRE reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify CBRE of any questions or errors.

6. The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the appraisal. However, CBRE will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject.
7. CBRE assumes no private deed restrictions, limiting the use of the subject in any way.
8. Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposit or subsurface rights of value involved in this appraisal, whether they be gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
9. CBRE is not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.
10. The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.
11. Any cash flows included in the analysis are forecasts of estimated future operating characteristics are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of current market expectations of future income and expenses. The achievement of the financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. CBRE does not warrant these forecasts will occur. Projections may be affected by circumstances beyond the current realm of knowledge or control of CBRE
12. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation of CBRE to buy, sell, or hold the properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
13. Also, unless otherwise noted in the body of this report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.
14. This study may not be duplicated in whole or in part without the specific written consent of CBRE nor may this report or copies hereof be transmitted to third parties without said consent, which consent CBRE reserves the right to deny. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of CBRE which consent CBRE reserves the right to deny. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a "sale" or "offer for sale" of any "security", as such terms are defined and used in the Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. CBRE shall have no accountability or responsibility to any such third party.
15. Any value estimate provided in the report applies to the entire property, and any pro ration or division of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.
16. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.
17. The maps, plats, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.
18. No opinion is intended to be expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Values and opinions expressed presume that

environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc. No survey, engineering study or architectural analysis has been made known to CBRE unless otherwise stated within the body of this report. If the Consultant has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

19. Acceptance and/or use of this report constitutes full acceptance of the Contingent and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the Client, or client's designees, to read in full, comprehend and thus become aware of the aforementioned contingencies and limiting conditions. Neither the Appraiser nor CBRE assumes responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.
20. CBRE assumes that the subject analyzed herein will be under prudent and competent management and ownership; neither inefficient or super-efficient.
21. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
22. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed to be correct. It is further assumed that no encroachments to the realty exist.
23. The Americans with Disabilities Act (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, CBRE has not made a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect on the value estimated herein. Since CBRE has no specific information relating to this issue, nor is CBRE qualified to make such an assessment, the effect of any possible non-compliance with the requirements of the ADA was not considered in estimating the value of the subject.
24. Client shall not indemnify Appraiser or hold Appraiser harmless unless and only to the extent that the Client misrepresents, distorts, or provides incomplete or inaccurate appraisal results to others, which acts of the Client approximately result in damage to Appraiser. Notwithstanding the foregoing, Appraiser shall have no obligation under this Section with respect to any loss that is caused solely by the active negligence or willful misconduct of a Client and is not contributed to by any act or omission (including any failure to perform any duty imposed by law) by Appraiser. Client shall indemnify and hold Appraiser harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the appraisal report to any third party. In the event of any litigation between the parties, the prevailing party to such litigation shall be entitled to recover, from the other, reasonable attorney fees and costs.
25. The report is for the sole use of the client; however, client may provide only complete, final copies of the appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Appraiser is not required to explain or testify as to appraisal results other than to respond to the client for routine and customary questions. Please note that our consent to allow an appraisal report prepared by CBRE or portions of such report, to become part of or be referenced in any public offering, the granting of such consent will be at our sole discretion and, if given, will be on condition that we will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to us, by a party satisfactory to us. We do consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.
26. As part of the client's requested scope of work, an estimate of insurable value is provided herein. CBRE has followed traditional appraisal standards to develop a reasonable calculation based upon industry practices and industry accepted publications such as the Marshal Valuation Service handbook. The methodology employed is a derivation of the cost approach which is primarily used as an academic exercise to help support the market value estimate and therefore is not reliable for Insurable Value estimates. Actual construction costs and related estimates can vary greatly from this estimate.

This analysis should not be relied upon to determine proper insurance coverage which can only be properly estimated by consultants considered experts in cost estimation and insurance underwriting. It is provided to aid the client/reader/user as part of their overall decision making process and no representations or warranties are made by

CBRE regarding the accuracy of this estimate and it is strongly recommend that other sources be utilized to develop any estimate of insurable value.

ADDENDA

ADDENDUM A
GLOSSARY OF TERMS

assessed value Assessed value applies in ad valorem taxation and refers to the value of a property according to the tax rolls. Assessed value may not conform to market value, but it is usually calculated in relation to a market value base. †

cash equivalency The procedure in which the sale prices of comparable properties sold with atypical financing are adjusted to reflect typical market terms.

contract rent The actual rental income specified in a lease. †

disposition value The most probable price which a specified interest in real property is likely to bring under all of the following conditions: 1) Consummation of a sale will occur within a limited future marketing period specified by the client; 2) The actual market conditions currently prevailing are those to which the appraised property interest is subject; 3) The buyer and seller is each acting prudently and knowledgeably; 4) The seller is under compulsion to sell; 5) The buyer is typically motivated; 6) Both parties are acting in what they consider their best interests; 7) An adequate marketing effort will be made in the limited time allowed for the completion of a sale; 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. †

effective rent The rental rate net of financial concessions such as periods of no rent during the lease term; may be calculated on a discounted basis, reflecting the time value of money, or on a simple, straight-line basis. †

excess land In regard to an improved site, the land not needed to serve or support the existing improvement. In regard to a vacant site or a site considered as though vacant, the land not needed to accommodate the site's primary highest and best use. Such land may be separated from the larger site and have its own highest and best use, or it may allow for future expansion of the existing or anticipated improvement. See also surplus land. †

extraordinary assumption An assumption directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. See also hypothetical condition. †

fee simple estate Absolute ownership unencumbered by any other interest or estate, subject only to the limitations

imposed by the governmental powers of taxation, eminent domain, police power, and escheat. †

floor area ratio (FAR) The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area; also called *building-to-land ratio*. †

full service lease A lease in which rent covers all operating expenses. Typically, full service leases are combined with an *expense stop*, the expense level covered by the contract lease payment. Increases in expenses above the expense stop level are passed through to the tenant and are known as *expense pass-throughs*.

going concern value Going concern value is the value of a proven property operation. It includes the incremental value associated with the business concern, which is distinct from the value of the real estate only. Going concern value includes an intangible enhancement of the value of an operating business enterprise which is produced by the assemblage of the land, building, labor, equipment, and marketing operation. This process creates an economically viable business that is expected to continue. Going concern value refers to the total value of a property, including both real property and intangible personal property attributed to the business value. †

gross building area (GBA) The total floor area of a building, including below-grade space but excluding unenclosed areas, measured from the exterior of the walls. Gross building area for office buildings is computed by measuring to the outside finished surface of permanent outer building walls without any deductions. All enclosed floors of the building including basements, mechanical equipment floors, penthouses, and the like are included in the measurement. Parking spaces and parking garages are excluded. †

hypothetical condition That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. See also extraordinary assumption. †

investment value Investment value is the value of an investment to a particular investor based on his or her investment requirements. In contrast to market value, investment value is value to an individual, not value in the marketplace. Investment value reflects the subjective relationship between a particular investor and a given investment. When measured in dollars, investment value is the price an investor would pay for an investment in light of its perceived capacity to satisfy his or her desires,

needs, or investment goals. To estimate investment value, specific investment criteria must be known. Criteria to evaluate a real estate investment are not necessarily set down by the individual investor; they may be established by an expert on real estate and its value, that is, an appraiser.[†]

leased fee

See leased fee estate

leased fee estate An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.[‡]

leasehold

See leasehold estate

leasehold estate The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.[‡]

liquidation value The most probable price which a specified interest in real property is likely to bring under all of the following conditions: 1) Consummation of a sale will occur within a severely limited future marketing period specified by the client; 2) The actual market conditions currently prevailing are those to which the appraised property interest is subject; 3) The buyer is acting prudently and knowledgeably; 4) The seller is under extreme compulsion to sell; 5) The buyer is typically motivated; 6) The buyer is acting in what he or she considers his or her best interests; 7) A limited marketing effort and time will be allowed for the completion of a sale; 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[‡]

market rent The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the specified lease agreement including term, rental adjustment and revaluation, permitted uses, use restrictions, and expense obligations; the lessee and lessor each acting prudently and knowledgeably, and assuming consummation of a lease contract as of a specified date and the passing of the leasehold from lessor to lessee under conditions whereby: 1) lessee and lessor are typically motivated; 2) both parties are well informed or well advised, and acting in what they consider their best interests; 3) a reasonable time is allowed for exposure in the open market; 4) the rent payment is made in terms of cash in U.S. dollars and is expressed as an amount per time period consistent with the payment schedule of the lease contract; and 5) the rental amount represents the normal consideration for the

property leased unaffected by special fees or concessions granted by anyone associated with the transaction.[‡]

market value Market value is one of the central concepts of the appraisal practice. Market value is differentiated from other types of value in that it is created by the collective patterns of the market. Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: 1) A reasonable time is allowed for exposure in the open market; 2) Both parties are well informed or well advised, and acting in what they consider their own best interests; 3) Buyer and seller are typically motivated; 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[§]

marketing period The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal.[‡]

net lease Lease in which all or some of the operating expenses are paid directly by the tenant. The landlord never takes possession of the expense payment. In a *Triple Net Lease* all operating expenses are the responsibility of the tenant, including property taxes, insurance, interior maintenance, and other miscellaneous expenses. However, management fees and exterior maintenance are often the responsibility of the lessor in a triple net lease. A *modified net lease* is one in which some expenses are paid separately by the tenant and some are included in the rent.

net rentable area (NRA) 1) The area on which rent is computed. 2) The Rentable Area of a floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building. Include space such as mechanical room, janitorial room, restrooms, and lobby of the floor.^{*}

occupancy rate The relationship or ratio between the income received from the rented units in a property and the income that would be received if all the units were occupied.[‡]

prospective value opinion A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not

achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written. †

reasonable exposure time The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based upon an analysis of past events assuming a competitive and open market. ††

rent

See
full service lease
net lease
market rent
contract, coupon, face, or nominal rent
effective rent

shell rent The typical rent paid for retail, office, or industrial tenant space based on minimal “shell” interior finishes (called plain vanilla finish in some areas). Usually the landlord delivers the main building shell space or some minimum level of interior build-out, and the tenant completes the interior finish, which can include wall, ceiling, and floor finishes; mechanical systems, interior electric, and plumbing. Typically these are long-term leases with tenants paying all or most property expenses. ‡

surplus land Land not necessary to support the highest and best use of the existing improvement but, because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not

accommodate future expansion of an existing or anticipated improvement. See also excess land. ‡

usable area 1) The area actually used by individual tenants. 2) The Usable Area of an office building is computed by measuring to the finished surface of the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining usable areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. Excludes areas such as mechanical rooms, janitorial room, restrooms, lobby, and any major vertical penetrations of a multi-tenant floor. *

use value Use value is a concept based on the productivity of an economic good. Use value is the value a specific property has for a specific use. Use value focuses on the value the real estate contributes to the enterprise of which it is a part, without regard to the property’s highest and best use or the monetary amount that might be realized upon its sale. †

value indication An opinion of value derived through application of the appraisal process. ‡

† *The Appraisal of Real Estate*, Thirteenth Edition, Appraisal Institute, 2008.

‡ *The Dictionary of Real Estate Appraisal*, Fourth Edition, Appraisal Institute, 2002.

§ Office of Comptroller of the Currency (OCC), 12 CFR Part 34, Subpart C – Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed. (Chicago: Appraisal Institute, 2002), 177-178. This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value as well as the example referenced in the *Uniform Standards of Professional Appraisal Practice (USPAP)*.

* 2000 BOMA Experience Exchange Report, Income/Expense Analysis for Office Buildings (Building Owners and Managers Association, 2000)

†† *Statement on Appraisal Standard No. 6*, Appraisal Standards Board of The Appraisal Foundation, September 16, 1993, revised June 15, 2004.

ADDENDUM B
ADDITIONAL SUBJECT PHOTOGRAPHS



LOOKING SOUTH ALONG REDLANDS BOULEVARD



VIEW OF PARCEL 2 FROM SOUTHWEST



LOOKING NORTH ALONG REDLANDS BOULEVARD



LOOKING NORTH ALONG THEODORE AVENUE



VIEW OF PARCEL 4 FROM THEODORE AVENUE



STORM DRAIN UNDER CONSTRUCTION

ADDENDUM C
COMPARABLE LAND SALES - INDUSTRIAL

INDUSTRIAL LAND SALE No. 1

Fleetwood Motor Homes of Calif. Inc. Excess

Location Data

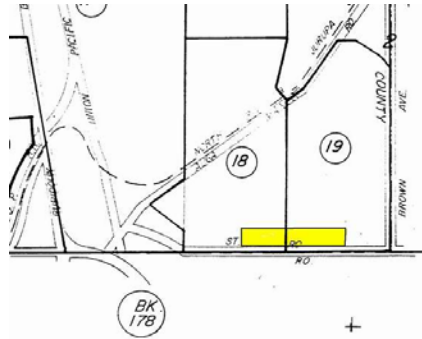
Location: **5425 Wilson Street
Unincorp. Riverside, CA 92509**
 County: **Riverside**
 Assessor's Parcel No: **175-180-013;175-190-021,-025**
 Atlas Ref: **645-G6**

Physical Data

Type: **Industrial**
 Land Area: **Gross Usable**
 Acres: **18.7300 18.7300**
 Square Feet: **815,879 815,879**
 Topography: **Level, At Street Grade**
 Shape: **Rectangular**
 Utilities: **All to site**
 Zoning: **M-H**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **N. side of Wilson St. - 1470'**

Sale Data

Transaction Type: **Sale**
 Date: **4/2010**
 Marketing Time: **9 months**
 Grantor: **Fleetwood Motor Homes of Calif**
 Grantee: **Crst Van Expedited Inc.**
 Document No.: **0188648**
 Sale Price: **\$4,976,861**
 Financing: **Cash to Seller**
 Cash Eq.Price: **\$4,976,861**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$4,976,861**
 Verification: **Confidential**



MAP INDEX

Analysis

Use At Sale: **Vacant Land**
 Proposed Use or Dev. **Industrial**
 Price Per Acre: **\$265,716**
 Price Per SF of Land: **\$6.10**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Comments

This is the April 2010 sale of an 18.73-acre, rectangular shaped site located on the north side of Wilson Street, between Auga Mansa Road on the west and Brown Avenue on the east, in an unincorporated portion of Riverside County north of the city of Riverside. It was sold by Fleetwood Motors Homes of California, which was in bankruptcy proceedings. The topography is level and all utilities are available to the site. A user acquired the site for \$4,976,861, or \$6.10 per square foot.

NWC Santa Ana & Willow Dominion Re-Sale

Location Data

Location: **NWC Santa Ana Avenue and Willow Rialto, CA 92316**
 County: **San Bernardino**
 Assessor's Parcel No: **0258-031-10 & 11**
 Atlas Ref: **645-G1**

Physical Data

Type: **Industrial**
 Land Area: **Gross Usable**
 Acres: **17.7839 17.7839**
 Square Feet: **774,666 774,666**
 Topography: **Level, At Street Grade**
 Shape: **Rectangular**
 Utilities: **All to Site**
 Zoning: **Industrial**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **1024 ft - Santa Ana Avenue; 411 ft - Willow Avenue, 616 ft - Lilac**

Analysis

Use At Sale: **Vacant**
 Proposed Use or Dev. **Industrial**
 Price Per Acre: **\$362,687**
 Price Per SF of Land: **\$8.33**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Sale Data

Transaction Type: **Sale**
 Date: **1/2010**
 Marketing Time: **N/A**
 Grantor: **CRST Van Expdited, Inc. (CRST**
 Grantee: **STRETCH ACQUISITIONS LLC**
 Document No.: **8691**
 Sale Price: **\$6,450,000**
 Financing: **Cash to Seller**
 Cash Eq.Price: **\$6,450,000**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$6,450,000**
 Verification: **Broker: Tal Siglar 909-980-1234 & Public Record**



Comments

This represents a 17.78-acre site located at the northwest corner of Santa Ana Avenue and Willow Avenue in the city of Rialto. It is situated approximately one mile south of the 10 Freeway. Surrounding uses primarily consist of industrial development. The site is rectangular in shape, has a level topography at street grade, and has all utilities available. The property previously sold in August 2009 for \$4,338,000 or \$5.60 per square foot. The buyer is an adjacent property owner. The property was previously purchased for \$11,995,764, or \$16.50 per square foot in October 2007, which included the onsite/offsite cost estimate of \$1,817,540. The seller had entitled the property for a single tenant cross dock facility; however, the entitlements had no value to the buyer who will build a truck terminal on the site. The October 2007 sale to August 2009 sales price implies a 57.4 percent decline in the value over the approximate two-year period.

Winco Beaumont

Location Data

Location: **NWC 4th & Nicholas
Beaumont, CA 92223**
 County: **Riverside**
 Assessor's Parcel No: **421-060-006,7**
 Atlas Ref: **720 F3**

Physical Data

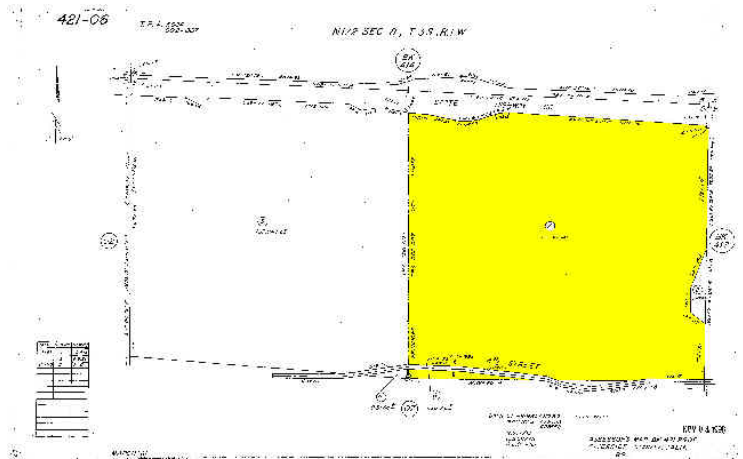
Type: **Industrial**
 Land Area: **Gross Usable**
 Acres: **157.3100 132.1260**
 Square Feet: **6,852,424 5,755,410**
 Topography: **Level, At Street Grade**
 Shape: **Irregular**
 Utilities: **All to site**
 Zoning: **Light Industrial**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **N/A;**

Analysis

Use At Sale: **Vacant Land**
 Proposed Use or Dev. **Build to suit warehouse**
 Price Per Acre: **\$265,716**
 Price Per SF of Land: **\$6.10**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Sale Data

Transaction Type: **Sale**
 Date: **3/2010**
 Marketing Time: **N/A**
 Grantor: **Fourth and B, LLC (Prologis)**
 Grantee: **High Desert Partners LLC (Winco)**
 Document No.: **0127844**
 Sale Price: **\$35,108,000**
 Financing: **Cash to Seller**
 Cash Eq.Price: **\$35,108,000**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$35,108,000**
 Verification: **Cushman & Wakefield: Chuck
Belden 909-980-7788**



Comments

This is the sale of a 132 net acre finished site located at the northwest corner of 4th Street and Nicholas Road in the city of Beaumont, Riverside County. The site is situated adjacent south of the 60 Freeway, one half mile west of Beaumont Avenue. On-and off-ramps are available to the 10 Freeway at Beaumont Avenue. The 10 and 60 Freeway interchange is situated immediately north of the subject, one-half mile west of Beaumont Avenue. The site is fully improved and entitled for development. The streets are in and utilities are to the site. In approximately October 2009 Winco agreed to purchase the site from Prologis, reportedly took a loss based on their cost basis of \$2.25 per square foot of site area. The buyer will build a warehouse/distribution to their specifications on the site.

Listing - General Industrial (Heavy Use)

Location Data

Location: **Btwn Markham/Nance, W. of Indian
Perris, CA 92571**
 County: **Riverside**
 Assessor's Parcel No: **302-030-003, 006**
 Atlas Ref: **747-G7**

Physical Data

Type: **Industrial**
 Land Area: **Gross Usable**
 Acres: **19.0800 19.0800**
 Square Feet: **831,125 831,125**
 Topography: **Generally Level**
 Shape: **Rectangular**
 Utilities: **Some to the site**
 Zoning: **Industrial**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **600' Markham Street; 600' Nance
Street**

Analysis

Use At Sale: **Vacant Land**
 Proposed Use or Dev. **Industrial**
 Price Per Acre: **\$230,188**
 Price Per SF of Land: **\$5.28**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Sale Data

Transaction Type: **Listing**
 Date: **7/2010**
 Marketing Time: **2 months**
 Grantor: **Doka USA**
 Grantee: **TBD**
 Document No.: **N/A**
 Sale Price: **\$4,392,000**
 Financing: **Not Available**
 Cash Eq.Price: **\$4,392,000**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$4,392,000**
 Verification: **Herrick Johnson - Broker**



Comments

This is the listing of a 19.08-acre industrial site located between Markham and Nance Streets, just west of Indian Avenue, in the north and west of the intersection of Perris Boulevard and the Ramona Expressway in Perris. This comparable is located just east of Interstate 215. Surrounding uses consist of vacant land, industrial, agriculture and rural residential. The area is zoned for industrial development. The site is rectangular in shape, has a generally level topography, and utilities are near the site. It should be noted that Nance Street to the north is not fully built-out and the buyer may be required to pay for additional infrastructure. The site is listed for \$4,392,000, or \$5.28 per square foot. The site was purchased for \$3,900,000, or \$4.69 per square foot in December 2006 and \$1,908,000, or \$2.30 in July 2005.

Listing - Industrial Site

Location Data

Location: **SEC Sycamore Canyon Blvd. & Box
Riverside, CA 92507**
 County: **Riverside**
 Assessor's Parcel No: **263-020-053**
 Atlas Ref: **716-H2**

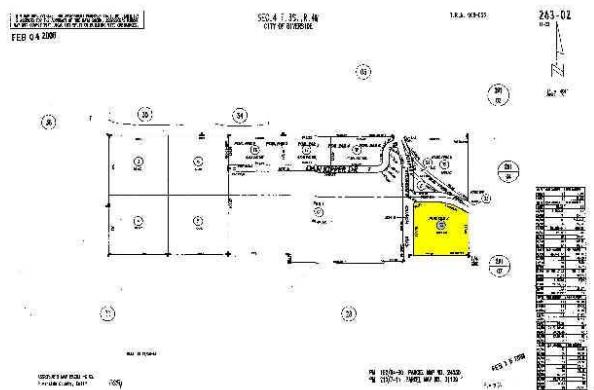
Sale Data

Transaction Type: **Listing**
 Date: **7/2010**
 Marketing Time: **18 months**
 Grantor: **N/A**
 Grantee: **N/A**
 Document No.: **N/A**
 Sale Price: **\$2,103,948**
 Financing: **Not Available**
 Cash Eq.Price: **\$2,103,948**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$2,103,948**
 Verification: **Erik Wanland - Broker**

Physical Data

Type: **Industrial**
 Land Area: **Gross Usable**
 Acres: **8.0500 8.0500**
 Square Feet: **350,658 350,658**

Topography: **Generally Level**
 Shape: **Rectangular**
 Utilities: **All to the site**
 Zoning: **Industrial**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **Sycamore Canyon Boulevard; Box
Springs Boulevard**



Analysis

Use At Sale: **Vacant Land**
 Proposed Use or Dev. **Industrial**
 Price Per Acre: **\$261,360**
 Price Per SF of Land: **\$6.00**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Comments

This is an 8.05-acre site located on the southeast corner of Sycamore Canyon Boulevard and Box Springs Boulevard, in the east part of the city of Riverside. This comparable is located west of Interstate 215. Surrounding uses consist of vacant land, recently built industrial buildings and a car dealership. The site is rectangular in shape, has a generally level topography, all curbs and gutters in place and all utilities are stubbed to the site. The broker indicated that he originally had this site on the market for \$13.00/SF. However, given the slowdown in the market this site would most likely sell between \$2.50-\$3.00/SF in today's market.

ADDENDUM D
COMPARABLE LAND SALES – COMMERCIAL

2.31-Acre Commercial Site

Location Data

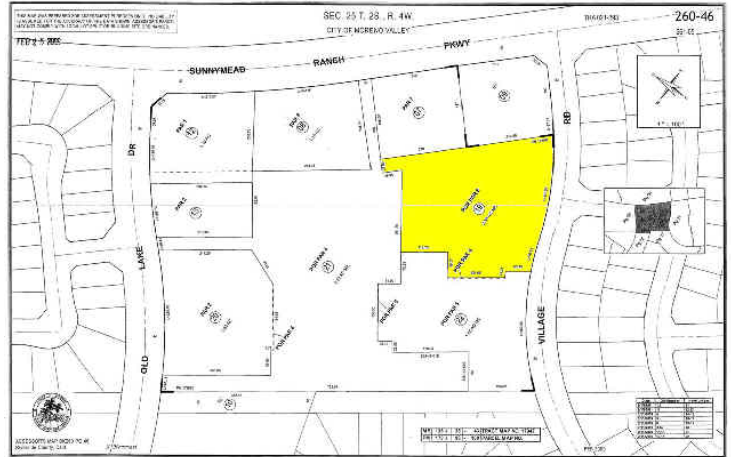
Location: **N/S Village Road, W/O Sunnymead
Moreno Valley, CA 92557**
 County: **Riverside**
 Assessor's Parcel No: **260-460-006**
 Atlas Ref: **687-D5**

Sale Data

Transaction Type: **Sale**
 Date: **7/2009**
 Marketing Time: **N/A**
 Grantor: **SVH Moreno Valley LLC**
 Grantee: **ADR/Preferred Business**
 Document No.: **0392094**
 Sale Price: **\$600,000**
 Financing: **Cash to Seller**
 Cash Eq.Price: **\$600,000**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$600,000**
 Verification: **Katherine Hunt - Lee & Assoc -
951-276-3645**

Physical Data

Type: **Retail/Commercial**
 Land Area: **Gross Usable**
 Acres: **2.3100 2.3100**
 Square Feet: **100,624 100,624**
 Topography: **Hilly**
 Shape: **Irregular**
 Utilities: **All to Site**
 Zoning: **C-24**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **Village Road;**



Analysis

Use At Sale: **Vacant Land**
 Proposed Use or Dev. **Hold for future retail**
 Price Per Acre: **\$259,740**
 Price Per SF of Land: **\$5.96**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Comments

This is a 2.31-acre commercially zoned pad in the Lakeshore Village Marketplace retail center at the southwest corner of Sunnymead Ranch Road and Village Road in the city of Moreno Valley. The buyer owns the adjacent Lakeshore Village Marketplace and purchased the site for future expansion opportunities. This site does not have frontage to Sunnymead Ranch Road, which is the center's primary arterial. There are no entitlements on the site. The property sold for \$600,000, or \$5.96 per square foot. The property sold in May 2007 for \$1,550,000, or \$15.40 per square foot, indicating a 61.3 percent decline in value.

RETAIL/COMMERCIAL LAND SALE No. 2

Commercial Site

Location Data

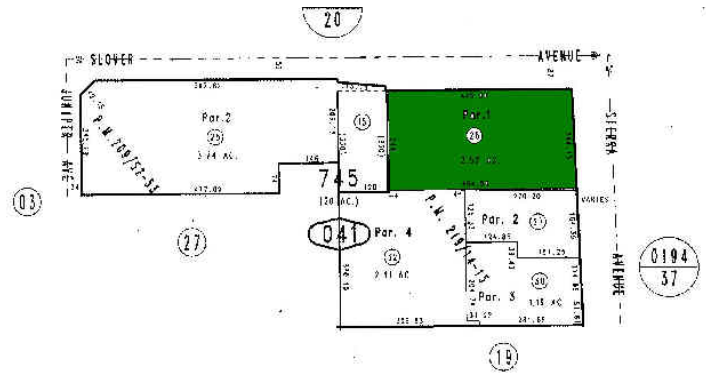
Location: **SWC Slover Ave & Sierra Ave
Fontana, CA 92335**
County: **San Bernardino**
Assessor's Parcel No: **0255-041-26**
Atlas Ref: **604-J7**

Physical Data

Type: **Retail/Commercial**
Land Area: **Gross Usable**
Acres: **2.5200 2.0200**
Square Feet: **109,771 87,991**
Topography: **Generally Level**
Shape: **Rectangular**
Utilities: **All Available**
Zoning: **C-1**
Allowable Bldg Area: **N/A**
Floor Area Ratio: **N/A**
No. of units: **N/A**
Max FAR: **N/A**
Frontage: **Slover Avenue - 446 Feet; Sierra Avenue - 244 Feet**

Sale Data

Transaction Type: **Sale**
Date: **8/2009**
Marketing Time: **9 months**
Grantor: **Sierra Center South Fontana, LLC**
Grantee: **Sierra Corner LLC**
Document No.: **0435296**
Sale Price: **\$1,500,000**
Financing: **Cash to Seller**
Cash Eq.Price: **\$1,500,000**
Onsite/Offsite Costs: **\$0**
Adj. Sale Price: **\$1,500,000**
Verification: **Grant Deed, Buyer**



Analysis

Use At Sale: **Raw Land**
Proposed Use or Dev. **Commercial Development**
Price Per Acre: **\$742,574**
Price Per SF of Land: **\$17.05**
Price Per Unit: **N/A**
Price Per SF of Bldg: **N/A**

Comments

This is the sale of a 2.52-acre (2.02-net-acre) commercial parcel on the southwest corner of Slover Avenue and Sierra Avenue in Fontana. The rectangular site is generally level and has all utilities available. The site is zoned commercial and was in raw condition at the time of sale. The site is encumbered by a deed restriction, which obligates a 0.50-acre public access drive and that the property can only be utilized as a service station. The buyer stated that this had no impact on the purchase price, as he has the ability to change or remove the restriction, but the 0.50 acres has been deducted from the 2.52 gross acres. The buyer contacted the seller directly and purchased the site in August 2009 for \$1,500,000, or \$17.05 per square foot of usable land area, with the intention of constructing a service station. The buyer reported that site improvements, including curbs, gutters, street lights, landscaping, and internal street access, totaled approximately \$300,000, but were not included in the purchase price.

Med-Office Development Site

Location Data

Location: **2120 Medical Center Drive
San Bernardino, CA 92411**
 County: **San Bernardino**
 Assessor's Parcel No: **0143-191-63**
 Atlas Ref: **576-C4**

Physical Data

Type: **Retail/Commercial**
 Land Area: **Gross Usable**
 Acres: **2.1900 2.1900**
 Square Feet: **95,396 95,396**
 Topography: **Level, At Street Grade**
 Shape: **Rectangular**
 Utilities: **All to site**
 Zoning: **C0-1 commercial**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **305' Medical Center Dr.;**

Analysis

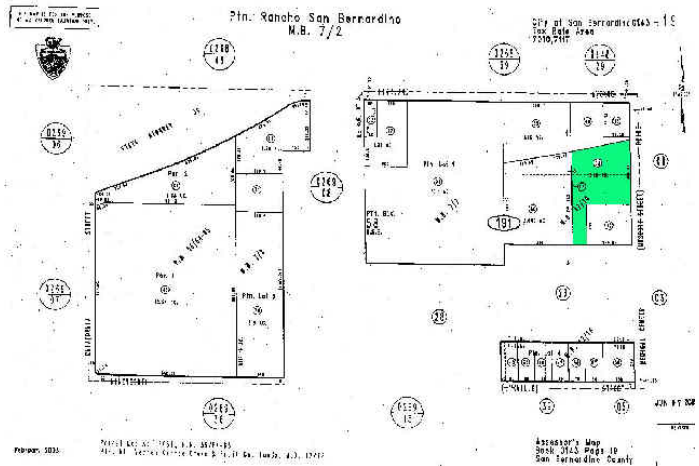
Use At Sale: **Vacant land**
 Proposed Use or Dev. **Medical Office**
 Price Per Acre: **\$479,452**
 Price Per SF of Land: **\$11.01**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Comments

This is the sale of a 2.19-acre commercial site located on the west side of Medical Center Drive just south of Highland Avenue in the city of San Bernardino. Surrounding uses are a mix of residential and warehouse industrial, with the Community Hospital located less than 1/2 mile to the south. The Foothill (I-210) Freeway is located 1/4 mile to the northwest. The site is zoned commercial office, is irregularly shaped, but has good street frontage. The property was listed at \$975,000, or \$10.22 per square foot. Therefore, the purchase price was 8% above the listing price. According to the broker, the buyer intends to develop a medical office building.

Sale Data

Transaction Type: **Sale**
 Date: **11/2009**
 Marketing Time: **20 months**
 Grantor: **John S Edmunds**
 Grantee: **Redevelopment Agency of San Bernardino**
 Document No.: **523322**
 Sale Price: **\$1,050,000**
 Financing: **Cash to Seller**
 Cash Eq.Price: **\$1,050,000**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$1,050,000**
 Verification: **Broker, Shiva Monify @ Sperry -
310 500-3329**



Nuevo Crossing - Failed Escrow

Location Data

Location: **SEC 215 Freeway & Nuevo Road
Perris, CA 92571**
 County: **Riverside**
 Assessor's Parcel No: **311-050-002/037**
 Atlas Ref: **777-G7**

Sale Data

Transaction Type: **Listing**
 Date: **6/2010**
 Marketing Time: **12 months**
 Grantor: **Nuevo South FSB (Bank Owned)**
 Grantee: **N/A**
 Document No.: **N/A**
 Sale Price: **\$3,415,100**
 Financing: **Cash to Seller**
 Cash Eq. Price: **\$3,415,100**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$3,415,100**
 Verification: **Confidential**

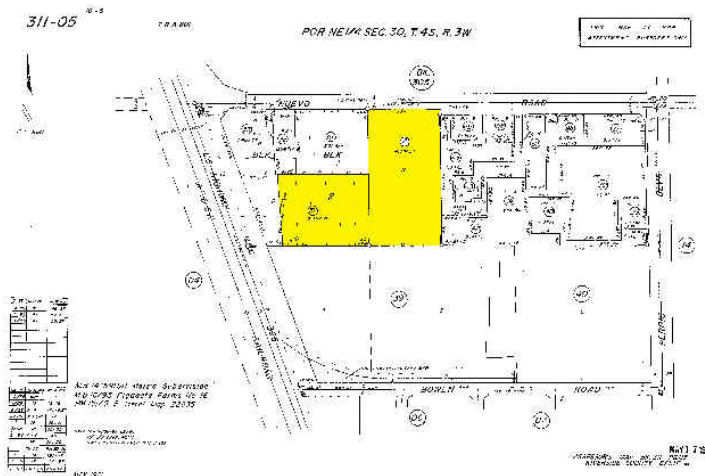
Physical Data

Type: **Retail/Commercial**
 Land Area: **Gross Usable**
 Acres: **7.8400 7.8400**
 Square Feet: **341,510 341,510**

Topography:
 Shape: **Irregular**
 Utilities: **All to Site**
 Zoning: **Commercial**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR:
 Frontage: **215 Freeway; Nuevo**

Analysis

Use At Sale: **Entitled/Proposed Retail**
 Proposed Use or Dev. **Future Retail Development**
 Price Per Acre: **\$435,599**
 Price Per SF of Land: **\$10.00**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**



Comments

This is a 7.84-acre commercial site located in a larger development at the southeast corner of the 215 Freeway and Nuevo Road in the city of Perris. Surrounding uses include the developed portion of the center adjacent east with tenants such as Big Lots, Big 5, and Stater Bros. There is a Food 4 Less grocery anchored center adjacent north, and significant residential development south and east, including a high school. Development west of the freeway is more spread out, which includes some partially completed single family housing tracts. The site is irregular in shape, has a generally level topography, and all utilities are available. The site is bank owned and was auctioned off in mid 2009, with the winning bid opening escrow in late 2009. According to sources familiar with the transaction, the asking price was \$10.00 per square foot, and the winning bid and subsequent escrow (which was below the advertised asking price) was recently cancelled.

Vacant Murrieta Land

Location Data

Location: **E/S of Monroe Avenue
Murrieta, CA 92562**
 County: **Riverside**
 Assessor's Parcel No: **910-020-014**
 Atlas Ref: **928-D7**

Physical Data

Type: **Retail/Commercial**
 Land Area: **Gross Usable**
 Acres: **10.5500 10.5500**
 Square Feet: **459,558 459,558**
 Topography: **Level, At Street Grade**
 Shape: **Irregular**
 Utilities: **All to site**
 Zoning: **MU-2**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR: **N/A**
 Frontage: **N/A;**

Sale Data

Transaction Type: **Sale**
 Date: **6/2009**
 Marketing Time: **N/A**
 Grantor: **RSC & C, LLC**
 Grantee: **Murrieta Education Center, LLC**
 Document No.: **0316279**
 Sale Price: **\$4,500,000**
 Financing: **Cash to Seller**
 Cash Eq. Price: **\$4,500,000**
 Onsite/Offsite Costs: **\$1,725,000**
 Adj. Sale Price: **\$6,225,000**
 Verification: **Broker, Fred Grimes-G&E
951.491.6300**



Analysis

Use At Sale: **Vacant land**
 Proposed Use or Dev. **Private Education Center**
 Price Per Acre: **\$590,047**
 Price Per SF of Land: **\$13.55**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Comments

This represents a 10.55-acre site located along the east side of Monroe Avenue north of Fig Street in the city of Murrieta. It is situated adjacent west of the 15/215 Freeway interchange. The property is irregular in shape, has a level topography. It was purchased for the purpose of constructing a private education center on the site. The land sold raw for \$4,500,555 but required approximately \$1,725,000 in off-site and site finishing costs. The total investment in the finished site was thus \$6,225,000 or \$13.55 per square foot. The escrow took one year to close and the market value dropped significantly since the agreed price was negotiated.

Physician's Hospital Site

Location Data

Location: **34965 Walt Road
Murrieta, CA 92563**
 County: **Riverside**
 Assessor's Parcel No: **384-240-006**
 Atlas Ref: **898 F4**

Sale Data

Transaction Type: **Sale**
 Date: **4/2009**
 Marketing Time: **3 months**
 Grantor: **Mark E. & Marcelina A. Balden**
 Grantee: **Physicians Hospital of Murrieta,**
 Document No.: **164266**
 Sale Price: **\$1,002,054**
 Financing: **Not Available**
 Cash Eq.Price: **\$1,002,054**
 Onsite/Offsite Costs: **\$0**
 Adj. Sale Price: **\$1,002,054**
 Verification: **Costar, Public Records, broker,
Fred Grimes G&E 951-491-6300**

Physical Data

Type: **Retail/Commercial**
 Land Area: **Gross Usable**
 Acres: **2.1600 2.1600**
 Square Feet: **94,090 94,090**
 Topography: **Level, At Street Grade**
 Shape: **Rectangular**
 Utilities: **All to Site**
 Zoning: **Commercial**
 Allowable Bldg Area: **N/A**
 Floor Area Ratio: **N/A**
 No. of units: **N/A**
 Max FAR:
 Frontage: **Walt Road; Joan Dunn Lane**

Analysis

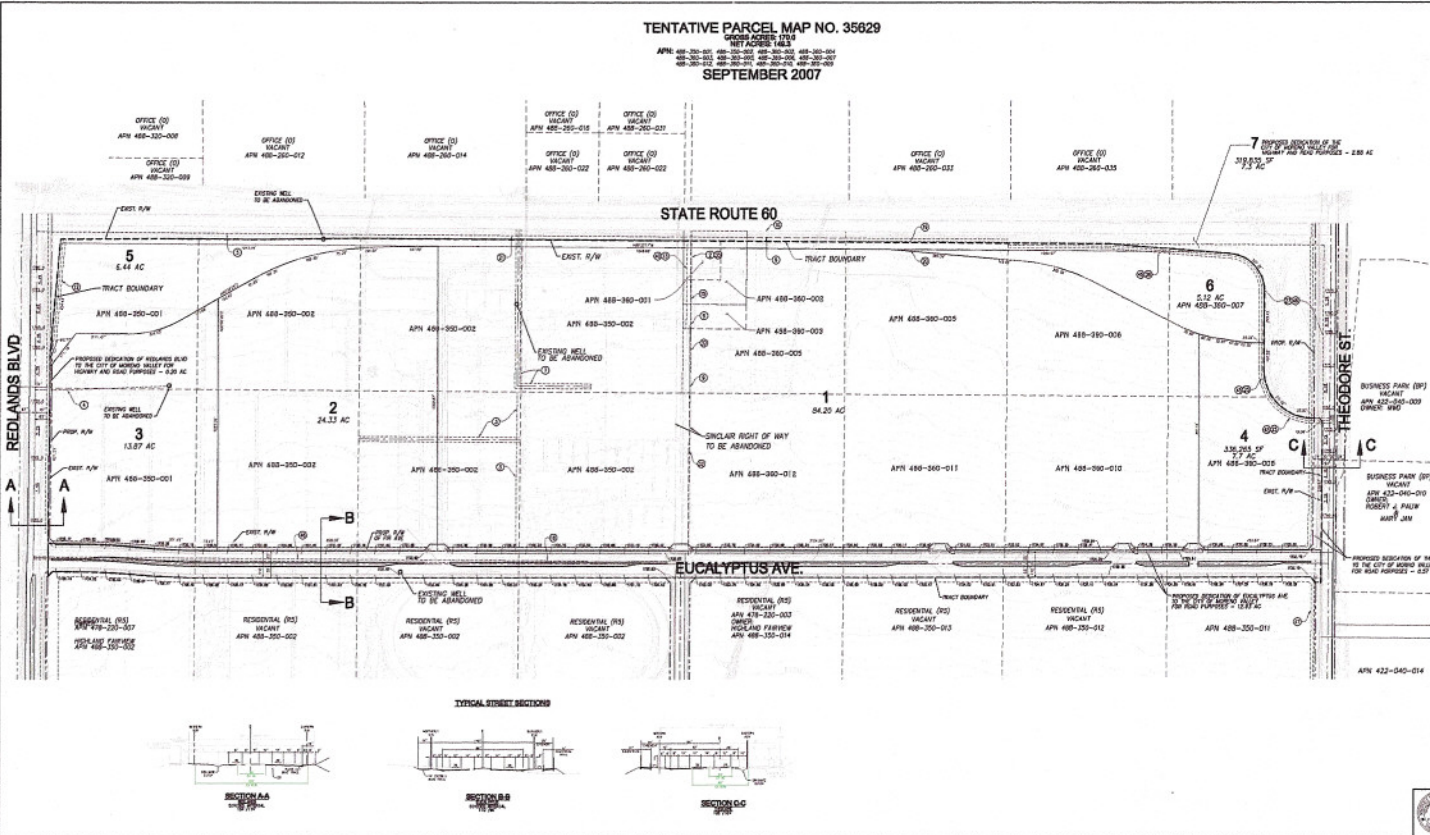
Use At Sale: **Vacant**
 Proposed Use or Dev. **Hospital**
 Price Per Acre: **\$463,913**
 Price Per SF of Land: **\$10.65**
 Price Per Unit: **N/A**
 Price Per SF of Bldg: **N/A**

Comments

This site is located along the eastern side of Interstate Highway 215 at the southwest corner of Joan Dunn Lane and Walt Road in the city of Murrieta, Riverside County, CA. The site was vacant at the time of acquisition and was acquired as a portion of an assemblage by the buyers for future hospital development. The proposed hospital is to contain 106 beds with 2 procedure rooms, 12 labor and delivery beds and a full service emergency center.

ADDENDUM E
TENTATIVE PARCEL MAP

TENTATIVE PARCEL MAP NO. 35629
CROSS STREET
 APN 488-280-001 488-280-002 488-280-003 488-280-004
 488-280-005 488-280-006 488-280-007 488-280-008
 488-280-009 488-280-010 488-280-011 488-280-012
SEPTEMBER 2007



GENERAL INFORMATION

1. THE CITY OF MORENO VALLEY HAS REVIEWED THIS TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.
2. THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.
3. THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.
4. THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.
5. THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.
6. THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.
7. THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.

LEGAL DESCRIPTION

THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.

OWNER/DEVELOPER

ROBERT A. PAUL
 MARY J. PAUL

ENGINEER

STEFAN M. HOFF
 1000 N. GARDEN ST.
 MORENO VALLEY, CA 91731
 (951) 251-1111

STREET LAYOUTS

LAND USE SUMMARY

1. OFFICE (O)	13.87 AC
2. BUSINESS PARK (BP)	132.261 AC
3. RESIDENTIAL (R)	84.20 AC
4. VACANT	24.33 AC
5. VACANT	6.48 AC
6. VACANT	5.12 AC
7. VACANT	315.815 AC

LOT SUMMARY

LOT 1	84.20 AC
LOT 2	24.33 AC
LOT 3	13.87 AC
LOT 4	132.261 AC
LOT 5	6.48 AC
LOT 6	5.12 AC
LOT 7	315.815 AC

TYPICAL STREET SECTIONS

SECTION AA
 SECTION BB
 SECTION CC

NON EXISTENT EASEMENT

THE CITY OF MORENO VALLEY HAS REVIEWED THE TENTATIVE PARCEL MAP AND HAS FOUND IT TO BE IN ACCORDANCE WITH THE CITY OF MORENO VALLEY SUBDIVISION MAP ACT AND THE SUBDIVISION MAP ACT REGULATIONS.

LEGEND

--- TRACT BOUNDARY
 --- EXISTING WELL TO BE ABANDONED
 --- PROPOSED ROAD
 --- EXISTING ROAD
 --- EXISTING UTILITY
 --- PROPOSED UTILITY

REDF

TENTATIVE PARCEL MAP 35629
 CITY OF MORENO VALLEY

ADDENDUM F
LAND IMPROVEMENT COSTS

HFCP Land Improvement Costs

	Parcel 1	Parcels 2 - 4	Total
Parcel Acreage	83	42	125
Infrastructure Costs			
	<i>Avg. Cost per Acre</i>		
Hard Costs			
Site Clearing	3,432	283,456	145,692
Rough Grading	21,314	1,760,289	904,762
Sewer	6,436	531,573	273,220
Domestic Water	9,392	775,656	398,675
Recycled Water	2,203	181,928	93,508
Storm Drain	28,561	2,358,823	1,212,399
Streets	24,031	1,984,757	1,020,135
Walls	1,023	84,457	43,409
Dry Utilities	20,696	1,709,311	878,560
Landscape	19,405	1,602,677	823,752
Repair & Replace	424	34,985	17,982
Subtotal	136,916	11,307,911	5,812,094
Soft Costs and Contingency			
Engineering & Design (25%)	34,229	2,826,978	1,453,023
Fees (10%)	13,692	1,130,791	581,209
Contingency (10%)	13,692	1,130,791	581,209
Subtotal	61,612	5,088,560	2,615,442
Total	198,529	16,396,471	8,427,536
<i>Incurring thru 8/24/10 *</i>	8,062,482	4,143,993	12,206,474
Cash Outlays			
Total	20,099,590	4,724,418	24,824,007

* 100% of site clearing and rough grading, 67% of sewer, 50% of domestic water, 75% of storm drain, 28% of dry utilities, 83% of engineering design and 62% of fees. All work required for occupancy of the Skechers building will be completed by March 2011.

ADDENDUM G
QUALIFICATIONS

QUALIFICATIONS OF WILLIAM K. BEBERNES, MAI
FIRST VICE PRESIDENT

CB RICHARD ELLIS

Valuation & Advisory Services
3501 Jamboree Road, Suite 100
Newport Beach, California 92660-2940
(949) 725-8413
william.bebernes@cbre.com

GENERAL EDUCATION

Bachelor of Science, Accounting - San Diego State University, San Diego 1977

REAL ESTATE EDUCATION

All required courses for the MAI designation
Attended numerous seminars sponsored by the Appraisal Institute

PROFESSIONAL ASSOCIATIONS

Member, Appraisal Institute (MAI)
California OREA General Certification No. AG003287

EMPLOYMENT

CB Richard Ellis, Inc. - Appraisal Senior Real Estate Analyst	1986-Present
Lloyds Bank California - Senior Appraiser, Income Properties	1985
Bank of America - Senior Appraiser	1983-1985
Lewis Homes California Financial Analyst, Cost Accountant	1980-1983

PROFESSIONAL EXPERIENCE

Appraisal and consulting experience includes the following types of properties:

Office buildings	Shopping centers
Industrial buildings	Hotels
Golf courses	Land – all types
Apartment projects	Special purpose properties

Qualified as an expert witness

Business, Transportation & Housing Agency

OFFICE OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE



OREA APPRAISER IDENTIFICATION NUMBER

AG003287

WILLIAM K. BEBERNES

has successfully met the requirements for a license as a general real estate appraiser in the State of California and is, therefore, entitled to use the title "Certified General Real Estate Appraiser".

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

OFFICE OF REAL ESTATE APPRAISERS

Date Issued: June 17, 2010

Date Expires: June 16, 2012

Audit No. 126203

RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

This space for Recorder's use only.

SHORT FORM DEED OF TRUST

This Deed of Trust made August __, 2010, HF Logistics-SKX T2, LLC, herein called TRUSTOR, whose address is 14225 Corporate Way, Moreno Valley, CA 92553,

FIRST AMERICAN TITLE INSURANCE COMPANY, a California Corporation, herein called TRUSTEE, and the City of Moreno Valley, herein called BENEFICIARY,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Riverside County, California, described as:

Parcel 2 of Parcel Map 35629.

For the purpose of securing TRUSTOR's obligations under that certain Public Improvements Agreement and Security Agreement dated _____, 2010. To Protect the Security of This Deed of Trust, TRUSTOR Agrees:

This Deed of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

To keep said property in good condition and repair, to pay when due all claims for labor performed and materials furnished, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer, or permit any act upon said property in violation of law.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of BENEFICIARY or TRUSTEE and to pay all costs and expenses, including cost of evidence of title and attorneys fees in a reasonable sum, in any such action or proceeding in which the BENEFICIARY or TRUSTEE may appear, and in any suit brought by BENEFICIARY to foreclose this Deed.

To pay, at least ten days before delinquency, all taxes and assessments affecting said property, all encumbrances, charges and liens on said property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust. Should TRUSTOR fail to do any act as herein provided or in the Public Improvements Agreement and Security Agreement, then BENEFICIARY or TRUSTEE, but without obligation to do so and without notice to or demand upon TRUSTOR and without releasing TRUSTOR from any obligation hereof, may make or do the same in such manner and

EXHIBIT "D"

to such extent as either may deem necessary to protect the security thereof, BENEFICIARY or TRUSTEE being authorized to enter upon said property for such purposes, appear in and defend any action purporting to affect the security thereof or the right or powers of BENEFICIARY or TRUSTEE, pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys fees.

That upon default by TRUSTOR in performance of any agreement secured hereby, BENEFICIARY may declare all sums and obligations secured hereby immediately due and payable by delivery to TRUSTEE by written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default having been given as then required by law, TRUSTEE, without demand on TRUSTOR, shall sell said property.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

Signature of Trustor

HF LOGISTICS-SKX T2, LLC
(Owner of Parcel 2)

By: 
Iddo Benzeevi, President & CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On 8.5.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ido Benzeri
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____ Signer's Name: _____

- | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> | <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Signer Is Representing: _____

Signer Is Representing: _____

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RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

This space for Recorder's use only.

SHORT FORM DEED OF TRUST

This Deed of Trust made August __, 2010, Highland Fairview Partners I, herein called TRUSTOR, whose address is 14225 Corporate Way, Moreno Valley, CA 92553,

FIRST AMERICAN TITLE INSURANCE COMPANY, a California Corporation, herein called TRUSTEE, and the City of Moreno Valley, herein called BENEFICIARY,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Riverside County, California, described as:

Parcel 3 of Parcel Map 35629.

For the purpose of securing TRUSTOR's obligations under that certain Public Improvements Agreement and Security Agreement dated _____, 2010. To Protect the Security of This Deed of Trust, TRUSTOR Agrees:

This Deed of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

To keep said property in good condition and repair, to pay when due all claims for labor performed and materials furnished, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer, or permit any act upon said property in violation of law.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of BENEFICIARY or TRUSTEE and to pay all costs and expenses, including cost of evidence of title and attorneys fees in a reasonable sum, in any such action or proceeding in which the BENEFICIARY or TRUSTEE may appear, and in any suit brought by BENEFICIARY to foreclose this Deed.

To pay, at least ten days before delinquency, all taxes and assessments affecting said property, all encumbrances, charges and liens on said property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust. Should TRUSTOR fail to do any act as herein provided or in the Public Improvements Agreement and Security Agreement, then BENEFICIARY or TRUSTEE, but without obligation to do so and without notice to or demand upon TRUSTOR and without releasing TRUSTOR from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security thereof, BENEFICIARY or TRUSTEE being authorized to enter upon said property for such purposes, appear in and defend any action purporting to affect the security thereof or the right or powers of BENEFICIARY or TRUSTEE, pay,

Exhibit "E"

purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys fees.

That upon default by TRUSTOR in performance of any agreement secured hereby, BENEFICIARY may declare all sums and obligations secured hereby immediately due and payable by delivery to TRUSTEE by written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default having been given as then required by law, TRUSTEE, without demand on TRUSTOR, shall sell said property.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

Signature of Trustor

HIGHLAND FAIRVIEW PARTNERS I
(Owner of Parcel 3)

By: 
Iddo Benzeevi, President & CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On 8.5.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Adde Benzgeri
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____ Signer's Name: _____

- | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT
OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> | <input type="checkbox"/> Corporate Officer — Title(s): _____
<input type="checkbox"/> Individual
<input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee
<input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____ | <p style="text-align: center; font-weight: bold; font-size: small;">RIGHT THUMBPRINT
OF SIGNER</p> <p style="text-align: center; font-size: x-small;">Top of thumb here</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Signer Is Representing: _____

Signer Is Representing: _____

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RECORDING REQUESTED BY:
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY
City Clerk
P. O. Box 88005
Moreno Valley, CA 92552-0805

This space for Recorder's use only.

SHORT FORM DEED OF TRUST

This Deed of Trust made August __, 2010, Highland Fairview Partners III, herein called TRUSTOR, whose address is 14225 Corporate Way, Moreno Valley, CA 92553,

FIRST AMERICAN TITLE INSURANCE COMPANY, a California Corporation, herein called TRUSTEE, and the City of Moreno Valley, herein called BENEFICIARY,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Riverside County, California, described as:

Parcel 4 of Parcel Map 35629.

For the purpose of securing TRUSTOR's obligations under that certain Public Improvements Agreement and Security Agreement dated _____, 2010. To Protect the Security of This Deed of Trust, TRUSTOR Agrees:

This Deed of Trust shall be in position of first priority and the City shall never be placed in a subordinate position.

To keep said property in good condition and repair, to pay when due all claims for labor performed and materials furnished, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer, or permit any act upon said property in violation of law.

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of BENEFICIARY or TRUSTEE and to pay all costs and expenses, including cost of evidence of title and attorneys fees in a reasonable sum, in any such action or proceeding in which the BENEFICIARY or TRUSTEE may appear, and in any suit brought by BENEFICIARY to foreclose this Deed.

To pay, at least ten days before delinquency, all taxes and assessments affecting said property, all encumbrances, charges and liens on said property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust. Should TRUSTOR fail to do any act as herein provided or in the Public Improvements Agreement and Security Agreement, then BENEFICIARY or TRUSTEE, but without obligation to do so and without notice to or demand upon TRUSTOR and without releasing TRUSTOR from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security thereof, BENEFICIARY or TRUSTEE being authorized to enter upon said property for such purposes, appear in and defend any action

Exhibit "F"

purporting to affect the security thereof or the right or powers of BENEFICIARY or TRUSTEE, pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorneys fees.

That upon default by TRUSTOR in performance of any agreement secured hereby, BENEFICIARY may declare all sums and obligations secured hereby immediately due and payable by delivery to TRUSTEE by written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default having been given as then required by law, TRUSTEE, without demand on TRUSTOR, shall sell said property.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

Signature of Trustor

HIGHLAND FAIRVIEW PARTNERS III
(Owner of Parcel 4)

By: 
Iddo Benzeevi, President & CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On 8.5.10 before me, Lorinne J. Phillips, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ido Benzeri
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: Lorinne J. Phillips
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____ Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Individual Individual

Partner — Limited General Partner — Limited General

Attorney in Fact Attorney in Fact

Trustee Trustee

Guardian or Conservator Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____



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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Ret</i>
CITY MANAGER	<i>WJB</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: PA07-0090 – APPROVE PARCEL MAP NO. 35629 ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK

BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE,
AND REDLANDS BOULEVARD AND THEODORE STREET

DEVELOPER: HF LOGISTICS – SKX T1, LLC
14425 CORPORATE WAY
MORENO VALLEY, CA 92553

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Approve Parcel Map No. 35629
2. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

BACKGROUND

On January 15, 2009, the Planning Commission of the City of Moreno Valley denied Tentative Parcel Map No. 35629.

On February 10, 2009, the City Council of the City of Moreno Valley approved Plot Plan (PA07-0091) and Tentative Parcel Map No. 35629 (PA07-0090) and accepted phase-specific Conditions of Approval. The tentative parcel map is a proposal to subdivide the 158-acre site into four parcels, one for establishment of a logistics warehouse development and three for future development. The plot plan provides for establishment of a business park development consisting of buildings, internal circulation, parking and various site amenities.

Also on the August 24, 2010 Agenda, before the City Council for the City of Moreno Valley by separate staff report, is staff's recommended approval for two Public Improvement Agreements and securities for the remaining public improvements. The Public Improvement Agreements and securities are broken down by Phase 1 and Phase 2 and 3.

DISCUSSION

Parcel Map No. 35629 is in conformance with the tentative parcel map, and the developer has requested that the parcel map be approved for recordation. The developer has entered into Public Improvement Agreements and posted security for public improvements in accordance with the project conditions of approval. The developer has agreed to perform and complete all of the required improvements within twenty-four (24) months of the date the Public Improvement Agreements are executed. The City Engineer is authorized to execute any future amendments to the agreement, subject to City Attorney approval, if the required street improvements are not completed within said timeframe.

ALTERNATIVES

Not applicable.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

EXHIBITS

Exhibit "A" - Vicinity Map

Prepared By
Clement Jimenez, P.E..
Senior Engineer

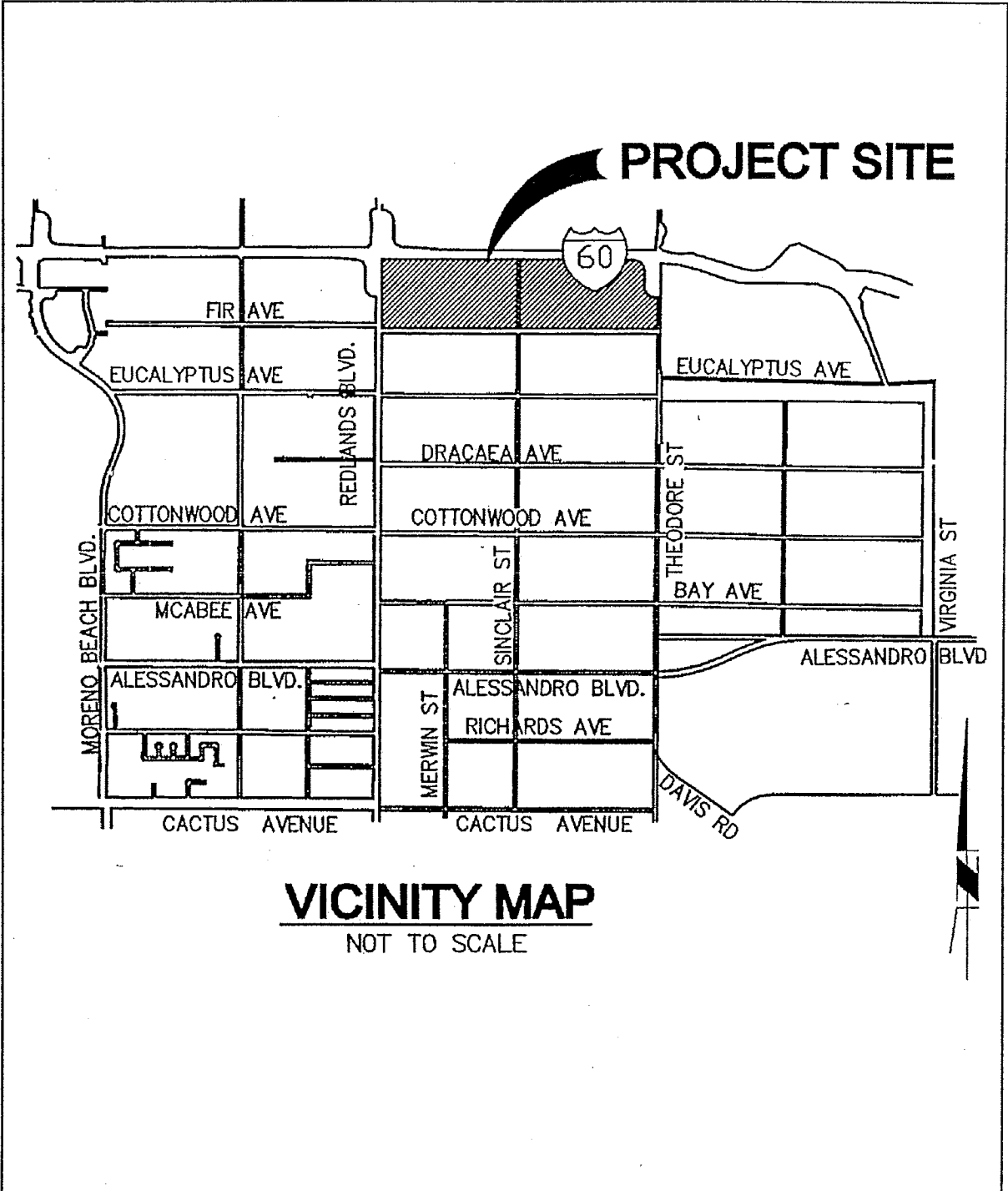
Department Head Approval
Chris A. Vogt, P.E..
Public Works Director/City Engineer

Concurred By
Mark W. Sambito, P.E..
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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VICINITY MAP
NOT TO SCALE

CITY OF MORENO VALLEY
PUBLIC WORKS - LAND DEVELOPMENT
Exhibit "A"

Parcel Map No. 35629
VICINITY MAP

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APPROVALS	
BUDGET OFFICER	<i>My</i>
CITY ATTORNEY	<i>RA</i>
CITY MANAGER	<i>WVB</i>

Report to City Council

TO: Mayor and City Council

FROM: Kyle Kollar, Interim Community Development Director

AGENDA DATE: August 24, 2010

TITLE: Second Amendment and Reinstatement Independent Contractor Agreement

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Approve the Second Amendment and Reinstatement Independent Contractor Agreement with Willdan for Plan Check/Inspection Services
2. Authorize the Mayor to execute the Second Amendment and Reinstatement Independent Contractor Agreement

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not Applicable

BACKGROUND

The City executed a contract for service in July 2007 with Willdan for Plan Check and Inspection Services to be provided for the Building & Safety Division. The term of the contract was for three years, with provisions for two one-year extensions. The initial contract was effective July 2007 through June 30, 2010.

DISCUSSION

The executed contract allows for the extension of the contract twice for one year each beyond the initial three year contracting period. This would be the first extension to the contract for a one year period to end concurrent with the fiscal year ending June 30, 2011.

ALTERNATIVES

1. Approve the Second Amendment and Reinstatement Independent Contractor Agreement
2. Elect not to approve the Second Amendment and Reinstatement Independent Contractor Agreement which would leave the Division without a vendor for Plan Check and Inspection Services.

FISCAL IMPACT

The approved budget for Fiscal Year 2010/11 includes \$220,000 for contract services. All services provided under this agreement are fully recovered from the applicant for the construction permit

CITY COUNCIL GOALS

The Building & Safety Division is integral to the City Councils' Public Safety Goal as described "Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

SUMMARY

The City has utilized outside vendors for Plan Check and Inspection Service to better meet the variable work load currently experienced. By continuing the agreement for as needed services the Division is better able to control costs and provide prompt professional service to our customers

NOTIFICATION

Not Applicable

ATTACHMENTS/EXHIBITS

Attachment A Second Amendment and Reinstatement Independent Contractor Agreement

Prepared By:
Anne Schneider, PE
Building & Safety Division Manger/ Building Official

Department Head Approval:
Kyle Kollar
Interim Community Development Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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City of Moreno Valley

**SECOND AMENDMENT AND REINSTATEMENT
INDEPENDENT CONTRACTOR AGREEMENT**

RECITALS:

Whereas, the City and Contractor entered into an Agreement entitled "INDEPENDENT CONTRACTOR AGREEMENT," hereinafter referred to as "Agreement," dated July 1, 2007.

Whereas, the Contractor is providing services as more specifically described in the Agreement.

Whereas, the Agreement ending date is June 30, 2010. This amendment and reinstatement will extend the agreement into the fourth year to June 30, 2011.

This Agreement is made by and between the City of Moreno Valley, California, a municipal corporation, hereinafter referred to as the "City", and the following named independent contractor, hereinafter referred to as the "Contractor," based upon City policies and the following legal citations:

- A. Government Code Section 53060 authorizes the engagement of persons to perform special services as independent contractors; and
- B. The public interest, convenience, necessity and general welfare will be served by this Agreement.

This Agreement is made and entered into effective the date the City signs this Agreement.

1. CONTRACTOR INFORMATION

Contractor's Name:	<u>Willdan</u>		
Address:	<u>650 Hospitality Lane, Suite 400</u>		
City:	<u>San Bernardino</u>	State: <u>CA</u>	Zip: <u>92408</u>
Business Phone:	<u>(909) 386-0200</u>	Fax No. <u>(909) 888-5107</u>	

2. CONTRACTOR SERVICE, FEES, AND RELEVANT DATES

- A. The Contractor's scope of service are described in Exhibit "A" (Contractor's proposal) attached hereto and incorporated herein by this reference.
- B. Payment terms are provided in Exhibit "B" attached hereto and incorporated herein by this reference.
- C. The Contractor starting Date is July 1, 2007, and the Contractor Ending Date is June 30, 2011. If mutually agreeable, the City and Contractor may extend this agreement in increments of one year, not to exceed a total contract period of five (5) years. The City acknowledges that it will not unreasonably withhold approval of the Contractor's requests for extensions of time in which to complete the work required. The Contractor shall not be responsible for performance delays caused by others or delays beyond the Contractor's reasonable control (excluding delays caused by non-performance or unjustified delay by Contractor, his/her/its employees, or subcontractors), and such delays shall extend the time for performance of the work by the Contractor.

3. STANDARD TERMS AND CONDITIONS

- A. Control of Work. Contractor is solely responsible for the content and sequence of the work, and will not be subject to control and direction as to the details and means for accomplishing the anticipated results of services. The City will not provide any training to Contractor or his/her/its employees.
- B. Intent of Parties. Contractor is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Contractor or any individual whose compensation for services is paid by the Contractor, an agent or employee of the City, or authorizing the Contractor to create or assume any obligation or liability for or on behalf of the City, or entitling the Contractor to any right, benefit, or privilege applicable to any officer or employee of the City.
- C. Subcontracting. Contractor may retain or subcontract for the services of other necessary contractors with the prior written approval of the City. Payment for such services shall be the responsibility of the Contractor. Any and all subcontractors shall be subject to the terms and conditions of this Agreement, with the exception that the City shall have no obligation to pay for any subcontractor services rendered. Contractor shall be responsible for paying prevailing wages where required by law (See California Labor Code Sections 1770 through 1777.7).
- D. Legal Considerations. The Contractor shall comply with applicable federal, state, and local laws in the performance of this Agreement.
- E. Contractor Indemnification. Contractor shall indemnify, defend and hold the City, the Community Redevelopment Agency of the City of Moreno Valley (RDA), and the Moreno Valley Community Services District (CSD), their officers, agents and employees harmless from any and all claims, damages, losses, causes of action and demands, including reasonable

attorney's fees and costs, incurred in connection with or in any manner arising out of Contractor's performance of the work contemplated by this Agreement to the extent resulting from Contractor's negligence, recklessness or willful misconduct. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage.

F. City Indemnification. The City agrees to indemnify, defend and save the Contractor and its officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the City's, RDA's and CSD's employees and all claims which arise from or are connected with the negligent performance or failure to perform the service or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the City, RDA and CSD, their officers, agents or employees, or its subcontractor(s) or any person acting for the City or under its control or direction; provided; however, that this indemnification and hold harmless shall not include any claims arising from the negligence or willful misconduct of the Contractor, its officers, agent, employees, or subcontractors.

G. Insurance Requirements. Where determined applicable by the City, Contractor will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII – Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

■ **General Liability Insurance** – to protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Contractor, sub-Contractor, or any person acting for the Contractor or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence/\$2,000,000 aggregate
Property Damage	\$500,000 per occurrence/\$500,000 aggregate

■ **Professional Errors and Omission Insurance** – such coverage shall not be less than \$1,000,000 per claim and aggregate.

■ **Worker's Compensation Insurance** – in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City, RDA, and CSD against any loss, claim or damage arising from any injuries or occupational diseases happening to any worker employed by the Contractor in the course of carrying out the Agreement. This coverage

may be waived if the Contractor is determined to be functioning as a sole proprietor and the City provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement.

■ Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City/CSD/RDA premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

□ Insurance requirements waived with Risk Manager's approval.

□ Insurance requirements modified with Risk Manager's approval and attached hereto as Exhibit "D" and incorporated herein by this reference.

A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City Risk Manager prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy.

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the Contractor shall, prior to the cancellation date, submit to the Risk Manager new evidence of insurance in the amounts established.

H. Intellectual Property. Any system or documents developed, produced or provided under this Agreement, including any intellectual property discovered or developed by Contractor in the course of performing or otherwise as a result of its work, shall become the sole property of the City unless explicitly stated otherwise in this Agreement. The Contractor may retain copies of any and all material, including drawings, documents, and

specifications produced by the Contractor in performance of this Agreement. The City and the Contractor agree that to the extent permitted by law, until final approval by the City, all data shall be treated as confidential and will not be released to third parties without the prior written consent of both parties.

- I. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations of warranties, expressed or implied, not specified in this Agreement. This Agreement applies only to the current proposal as attached. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties. Assignment of this Agreement is prohibited without prior written consent.
- J. Termination. Either party may terminate this Agreement upon breach of the Agreement by the other party. In the event the City terminates the Agreement, the Contractor shall perform no further services under the Agreement unless the notice of termination authorizes such further work.
- K. Payment. Payments to the Contractor pursuant to this Agreement will be reported to Federal and State taxing authorities as required. The City will not withhold any sums from compensation payable to Contractor. Contractor is independently responsible for the payment of all applicable taxes. Where the payment terms provide for compensation on a time and materials basis, the Contractor shall maintain adequate records to permit inspection and audit of the Contractor's time and materials charges under the Agreement. Upon reasonable notice, such records must be made available to the City's agent; however, nothing herein shall convert such records into public records. Such records shall be retained by the Contractor for three (3) years following completion of the services under the Agreement.
- L. Restrictions on City Employees. The Contractor shall not employ any City employee or official in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state or local Law.
- M. Choice of Law and Venue. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall govern the interpretation of this Agreement. Any legal proceeding arising from this Agreement shall be brought in the appropriate court located in Riverside County, State of California.

SIGNATURE PAGE TO FOLLOW

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement

City of Moreno Valley

Contractor: Willdan Engineering

By: _____
Mayor

By:  _____
Ronald L. Espalin, PE

Date: _____

Title: Director of Building & Safety

Date: August 9, 2010

Attest:


City Clerk

Approved as to Legal Form:

By:  _____
City Attorney

Date: 8.9.10

RECOMMENDED FOR APPROVAL:

By:  _____
Kyle Kollar
Interim Community
Development Director

Date: 8/10/11

Attachments:

Exhibit A: Proposal for Building & Safety Plan Check Services

Exhibit B: Terms of Payment

PROPOSAL

Building & Safety Plan Check Services



City of Moreno Valley



650 Hospitality Lane, Suite 400 ■ San Bernardino, CA 92408 ■ 909.386.0200 ■ 909.888.5107 Fax
www.willdan.com

Submitted by:



April 3, 2007

Ms. Ruth Nelson, CPPB
Buyer II
CITY OF MORENO VALLEY
15670 Perris Boulevard
Moreno Valley, CA 92552

**Subject: Proposal to Provide Building and Safety Plan Review Services
RFP # 06/07 - 05**

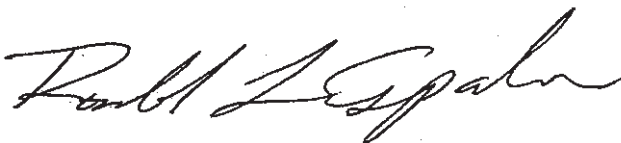
Dear Ms. Nelson:

Willdan welcomes the opportunity to present this proposal to continue to provide building and safety plan check services for the City of Moreno Valley. While our exceptional services are presented in the proposal, listed below are reasons why Willdan is qualified to perform this service to the City.

- Willdan currently provides building and safety plan check services to the City of Moreno Valley; therefore our local staff is familiar with the City's standards of performance and procedures.
- Willdan offers all disciplines the City may require with on-staff personnel. No subconsultants will be needed for any required services.
- Willdan provides no private sector engineering services, therefore there is no conflict of interest.
- Willdan staff will be prepared to attend all required meetings at City Hall either the same day, or within 24 hours notice.

Our approach to each assignment is to furnish the client with technical assistance and strong project management in a professional, efficient and economical manner. We are looking forward to continuing to provide these services to the City of Moreno Valley. This proposal shall remain valid and binding for ninety (90) days from the date of submittal.

Respectfully submitted,
WILLDAN



Ronald L. Espalin, PE
Senior Vice President

TABLE OF CONTENTS

	<u>PAGE</u>
EXECUTIVE SUMMARY	3
STATEMENT of QUALIFICATIONS	4
SCOPE OF SERVICES	5
RELATED EXPERIENCE/REFERENCES	7
STAFF	9
Organization Chart.....	10
Resumes.....	11
COMPENSATION.....	17

EXECUTIVE SUMMARY



Willdan can offer the City of Moreno Valley significant experience in providing Building and Safety Plan Check services. Our Building and Safety experience includes plan review and inspection of major structures for numerous cities in Southern California and, in addition, the majority of our staff were previous employees of public agencies in Southern California. This public sector consulting orientation provides our staff with insight into the needs and problems

of public agencies and their constituents, resulting in a high level of responsiveness to members of the public.

Willdan differs from most other engineering consulting firms in that we specialize in offering consulting services primarily to city, county and other governmental entities, thereby alleviating any possibility for conflict of interest. Each Willdan office is staffed with highly qualified professionals representing a broad range of disciplines who are fully cognizant of National, State and local codes and regulations and who are in a position to respond to the particular needs of specific geographic areas. All of our key staff members were previously employed by public agencies and have strong backgrounds in all aspects of building and safety services.

The firm's complete list of services includes: building and safety, public works, construction management, inspection, civil engineering, urban and environmental planning, traffic engineering and transportation planning, bridge and structure design, highway and rail engineering, drainage and flood control, real property services, computer-aided analysis and design, landscape architecture, facility financing, geotechnical engineering services, and surveying.

STATEMENT of QUALIFICATIONS

THE WILLDAN GROUP
OF COMPANIES



Willdan, Arroyo Geotechnical, and MuniFinancial are the three-company public service team that has grown from the 1964 establishment of Willdan Engineering, known today as *The WILLDAN Group of Companies*. This "group of companies" provides civil and structural engineering, planning, financial and economic consulting, and geology and geotechnical engineering services for more than 400 public sector clients throughout Arizona, California, and Nevada.



Willdan is a full-service civil engineering and planning firm. Whether on a full-time basis, an interim part-time basis, or in consultation, project-by-project, Willdan's broad professional range and depth of staffing allows the company to economically streamline projects from concept through design, inspection and management. Willdan is also a well-established provider of building and safety and plan check services for city, county, and state governments.



Arroyo Geotechnical offers a full complement of geology/geotechnical engineering capabilities, including soils engineering, earthquake and seismic hazard studies, geology and hydrogeology engineering. Arroyo Geotechnical also maintains a full-service geotechnical laboratory.



MuniFinancial provides financial and economic consulting for growth planning, revenue generation, debt administration and municipal services, with specialties such as ongoing municipal disclosure and arbitrage rebate compliance. Established in 1988, MuniFinancial has worked with more than 500 public agencies throughout the United States.

Since its establishment in 1964, Willdan has expanded in size, location, and service capabilities through its system of regional offices. Each office is staffed with highly qualified professionals who are fully aware of local influences and regulations and are in a position to respond to particular needs of specific geographic areas.

Today, the firm provides a full range of engineering and planning services. A staff of 400 professional and technical experts include specialists in municipal engineering, highway and freeway engineering, structural engineering, drainage and flood control, traffic and transportation engineering, construction management, building and safety services, urban and regional planning, environmental planning, water resources, water and wastewater engineering, growth management planning, surveying, assessment engineering, landscape architecture, computer-aided analysis and design, and other technical fields. Services are provided on an "as-needed" basis; a full-time, in-house basis; and on a specific project basis.

Request for Proposal
City of Moreno Valley

SCOPE of SERVICES

Willdan specializes in providing professional building, engineering, and planning services to municipalities. The firm has been providing building and safety services to cities and counties on a contract basis since 1979.

Willdan presently serves in the capacity of Building Official in more than 20 cities throughout California. In this capacity, we provide a full range of services including plan review, permit issuance, inspection and code enforcement. We service client needs from an occasional overload plan review to staffing an entire Building Department. Willdan has gained a great deal of municipal insight and expertise in serving our extensive clientele over the years. We have performed plan review and inspection on projects ranging from single family residential additions to complex high rise towers, medical facilities and industrial centers.

Willdan's experience and strength in building and safety plan check encompasses the complete range of technical disciplines, that is, structural engineering plan check, fire-life safety, electrical, plumbing and mechanical codes, the Title 24 codes, as well as local amendments to the adopted codes.

SCOPE OF SERVICES

Plan Check Services

Willdan will examine building plans for compliance with the adopted version of the California Building Code, California Mechanical Code, California Plumbing Code, National Electrical Code, and the Accessibility, Noise and Energy Conservation requirements as mandated by State Title 24 and all applicable Ordinances. Our approach to the plan check process includes attention to code requirements as well as an overview of the application package for other applicable requirements such as approvals from other local agencies and districts. Willdan's plan checkers are registered engineers and certified plans examiners. All plan review will comply with the City's directives, codes and policies. Plan check will include a review of any or all of the following design elements as determined by the City:

Architectural and life-safety
Structural
Electrical
Plumbing

Mechanical
Energy Conservation Regulations (Title 24)
Disabled Access Regulations (C.B.C. - T-24)

Turn-Around Schedule

Typical turn-around time for the initial plan check is ten working days (15 days for projects of \$3,000,000 or greater valuation), 5 days for rechecks. This schedule is applicable for all types of construction and can be adjusted to serve the City in the most efficient manner. Willdan will provide expedited plan review if requested at no additional cost to the City.

Request for Proposal
City of Moreno Valley

Willdan staff will either pick up the plans from the City, or have them overnighted to our office at no cost to the City. All plans will be returned to the City either by messenger or overnight delivery at no cost to the City.

Willdan will notify each applicant with two complete sets of typewritten plan check letters outlining the documents reviewed, instructions to the applicant regarding the processing of documents, and a listing of plan check comments. The plan check comments will refer to appropriate sheets, details or calculations pages and the code section of concern. Comments shall specify the apparent code violation.

Plan checkers will be available during work hours to discuss and clarify plan check issues with designers, owners and contractors. Plan checkers will be prepared to attend all required meetings at a location determined by the City and/or applicant, either the same day as requested, or within 24 hours notice.

Resolutions of code issues may be accomplished by telephone, or meetings prior to resubmitting corrected plans and documents. Plan checkers will attend all required meetings as deemed necessary by the City Building Official. During unforeseen high work load periods, Willdan will employ company-wide resources to ensure that all plan review is being performed in the specific time allowed.

Grading Plan Review and Inspection

If requested by the City, Willdan can provide grading plan review and inspection services. Grading plan review includes:

- **Rough Grading Plans** will be reviewed to assure conformance with City codes, written policies and standard specifications. The review will also assure conformance with the approved tentative map and conditions of approval for the project.
- **Grading Plans** will be reviewed for compliance with the recommendations, specifications and details contained in the submitted soils report and to assure that all appropriate details are shown on the plans. Quantity calculations will be reviewed to assure accuracy and completeness.
- **Precise Grading Plans** will be reviewed to verify positive drainage to an approved outlet. Where deepened footings are required due to the lot grading, the extent and depth of the needed deepened footing will be clearly noted on each footprint. Erosion control measures for manufactured slopes will be reviewed to verify that the landscaping and irrigation measures are adequate. In addition, we will assure any interim measures to control erosion until such time as the landscaping is viable and shown on the plan.

RELATED EXPERIENCE/REFERENCES

Client: City of Riverside
Mr. Dan Chudy, Building Official
3900 Main Street
Riverside, CA 92522
951.826.5915

Services: Building and Safety plan check and inspection services.

Client: City of Indian Wells
Mr. Corrie Kates, Building Official/Community Development Director
44-950 El Dorado Drive
Indian Wells, CA 92210
760.776.0230

Services: Building and Safety plan check and inspection services. Grading and engineering improvement plan check services.

Client: City of Loma Linda
Ms. Deborah Woldroff, Community Development Director
25541 Barton Road
Loma Linda, CA 92354
909.799.2810

Services: Building and Safety plan check and inspection services. Grading and engineering improvement plan check and public works inspection services.

Client: City of Calimesa
Mr. David Lane, City Manager
908 Park Avenue
Calimesa, CA 92320
909.795.9801

Services: Building and Safety plan check and inspection services. Grading and engineering improvement plan check and public works inspection services.

Request for Proposal
City of Moreno Valley

Client: **City of Highland**
Mr. John Jaques, Community Development Director
27215 Baseline
Highland, CA 92346
909.864.2136

Services: Building and Safety plan check and inspection services. Grading and engineering improvement plan check and public works inspection services.

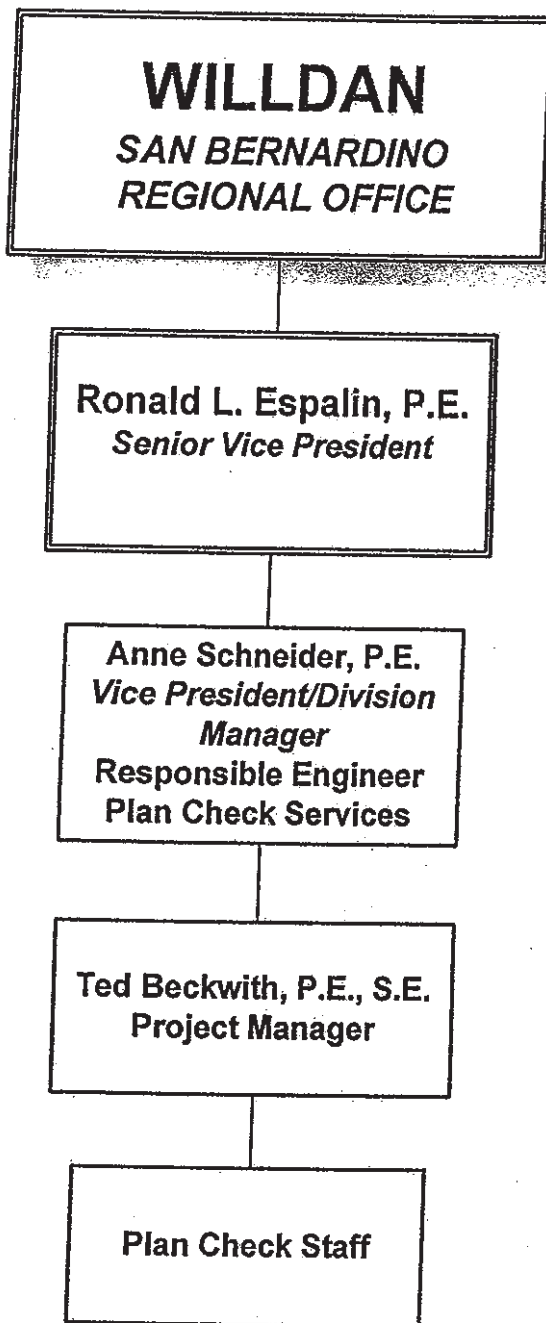
Client: **Morongo Band of Mission Indians**
Mr. Tom Linton, Director, Planning and Development
245 N. Murray Street, Suite C
Banning, CA 92220
909.849.4697

Services: Building and Safety plan check and inspection services. Grading and engineering improvement plan check and public works inspection services.

STAFF

The following organization chart and resumes represent just a portion of the qualified Willdan staff to provide the services as delineated in this proposal.

ORGANIZATION CHART



Request for Proposal
City of Moreno Valley

**Ronald Espalin, P.E.
Senior Vice President**

Education
*California State
Polytechnic
University-Pomona
Master of
Engineering -
Structural
Engineering
California State
Polytechnic
University-Pomona
Bachelor of Science
- Civil Engineering*

Mr. Espalin is a Senior Vice President and the Regional Office Manager of the San Bernardino Office. Mr. Espalin has extensive experience in managing engineering and technical staff and has served as the responsible engineer for plan check and inspection services for numerous cities and counties. He has served as on-site Building official overseeing all aspects of building and safety operations for cities in the Inland Empire, Coachella Valley and other regions in Southern California. Mr. Espalin has served as interim Building Official for local cities in San Bernardino and Riverside Counties. His duties in this capacity include reviewing proposed legislation affecting Building Code enforcement, arbitrating disputes on code interpretations, and resolving the more difficult and complex engineering and code problems.

**Associations/
Affiliations**
*International Code
Council
Coachella Valley
Chapter - President,
2002*

Prior to joining Willdan, Mr. Espalin was the Assistant Director of Building and Safety for the County of Riverside. He was responsible for the day-to-day operations of the department and was responsible for 130 employees providing services in plan review, permit issuance, inspection services, rehabilitation and code enforcement and land use zoning enforcement.

*Inland Empire
Chapter - President,
1997
Citrus Belt Chapter -
"Building Official of
the Year" 1995
Riverside County
Chapter - President
1986*

In the private sector, Mr. Espalin was a structural design engineer. His design responsibilities included calculations and design for structural steel and reinforced concrete moment frame structures, industrial structures, dynamic and static analysis, soil-structure interaction analysis and seismic qualification of equipment and systems in essential facilities. Mr. Espalin maintains a lifetime teaching credential in Engineering with the California Community College system.

*California Building
Officials
CALBO Disaster
Response Team*

**Professional
Registrations**
*California, RCE 26187
Certified Building
Official, No. 560
35 Years Experience*

**Request for Proposal
City of Moreno Valley**

Anne Schneider, P.E.
Division Manager/Vice President

Education
*California State
Polytechnic
University-San Luis
Obispo
Bachelor of Science
- Architectural
Engineering*

**Associations/
Affiliations**

Ms. Schneider, a registered Civil Engineer in California, is a Division Manager/Vice President for the San Bernardino Office. She has over 15 years professional experience in building and safety enforcement of model codes, State and local building regulations. Her plan review experience includes commercial and industrial facilities, and single- and multi-family residential developments, with an expertise in structural and life safety review of plans. Ms. Schneider has worked on assignment for Willdan in the offices of San Diego County and Riverside County Building Departments providing plan check services.

Prior to joining Willdan, Ms. Schneider held the position of Tribal Engineer for the Cabazon Band of Mission Indians in Indio, California. In this capacity she supervised construction and design work for the Reservation and was primarily responsible for a \$3 million Federal Highway Administration road construction project.

Her past experience includes the responsibility of Plans Examiner for the City of Lancaster where she evaluated commercial and residential plans for code compliance and coordinated City response to applications for construction permits.

**Professional
Registrations**
*California, RCE 46183
ICBO Certified Plans
Examiner
ICBO Certified
Building Inspector*

15 Years Experience

**Request for Proposal
City of Moreno Valley**

Ted Beckwith, P.E., S.E.
Supervising Plan Check Engineer

Education
*California State
University, Fullerton
Bachelor of Science,
Structural
Engineering*

*Riverside Community
College
Certificate in
Construction
Technology*

**Associations/
Affiliations**
*International
Conference of
Building Officials
Structural Engineers
Association of
California*

**Professional
Registrations**
*California, CE#48798,
SE#4294
ICC Building Plans
Examiner,
UBC#1043425-60
ICC Building Plans
Examiner,
IBC#1043425-06*

19 Years Experience

Mr. Beckwith, a registered Civil and Structural Engineer in California, is a Supervising Plan Check Engineer for the San Bernardino Office. He has 19 years professional experience in structural design and enforcement of state and local building regulations. His design and plan review experience includes educational, commercial and industrial facilities, and single- and multi-family residential developments, with an expertise in design and review of structural plans.

During his tenure with Willdan, Mr. Beckwith has performed the structural review of several projects at California State University, San Bernardino. These projects include the OTTC Building, the three-story College of Education Building and the seismic retrofit and repair of both the Biological Science Building and the Physical Science Building.

Mr. Beckwith's previous experience includes the position of Assistant Engineer with the County of Riverside. In this capacity, he performed structural plan review of various structures including steel, concrete, wood, and masonry buildings. He has specialized in major structures of four or more stories. He has also worked for RM Byrd and Associates, a structural design office located in Ontario, CA. This firm specializes in public schools under the purview of the Structural Safety Section of the Division of the State Architect. An example of public school projects that he has designed include a new middle school in Los Banos, a new middle school in Laguna Niguel, a new high school in Fontana and several school modernization programs throughout Southern California. Mr. Beckwith is very familiar with the particular requirements of chapters 16A, through 23A of the state building code and detail orientated in his structural review of plans.

**Request for Proposal
City of Moreno Valley**

**Patrick Johnson, P.E.
Plan Check Engineer**

Education

*University of Iowa,
Iowa City, IA
Bachelor and Science,
Structural Engineering*

Mr. Johnson, a registered Civil Engineer in California, is a Plan Check Engineer for the San Bernardino Office. He has 10 years experience in the construction field specializing in carpentry, plumbing, heating and air conditioning, and electrical work. As a 2001 graduate of University of Iowa his primary focus has been on structural engineering of lightweight commercial and residential structures. Since employed with Willdan, he has attended a number of code enforcement and seismic application seminars.

**Associations/
Affiliations**

*ASCE (American
Society of Civil
Engineers)*

Mr. Johnson's previous engineering experience includes the position of a Design Engineer with KLP Consulting Engineers of Centennial, Colorado. In this capacity, he specialized in the design of lightweight commercial, multi and single-family housing. At times he would be called out to the field as a forensic engineer to justify the probable cause of structural damages caused by expansive soils. Mr. Johnson also has engineering experience in the design of variety of transportation projects including single and multi-span bridges, pedestrian tunnels, retaining walls, and concrete box culverts.

**Professional
Registrations**

*California Professional
Engineer, CE#6796*

10 Years Experience

**Arne Lovnaseth, Architect
Plan Check Architect**

Education
*Cal Poly Pomona,
Bachelor of Science,
Bachelor of
Architecture*

Mr. Lovnaseth, a registered Architect in California, is a Plan Check Architect for the San Bernardino Office. He has 20 years experience in the construction field specializing in design work. As a 1983 graduate of Cal Poly Pomona his primary focus has been on architectural design of lightweight commercial and residential structures. He has attended a number of code enforcement seminars.

**Professional
Registrations**
California Licensed
Architect,, #C18833
*I.C.C. Plans Examiner
#0877794-B3*

Mr. Lovnaseth's previous architectural and plan checking experience includes the position of Senior Plans Examiner for the City of San Bernardino for over 5 years. In this capacity, he specialized in the plan checking of lightweight commercial, multi and single-family housing. Prior to that he was a project manager at John McInnes Architect in Laguna Beach, Ca. for 5 years.

20 Years Experience

**Request for Proposal
City of Moreno Valley**

COMPENSATION

We propose to provide these services for a fee equal to seventy-five percent (75%) of the fees collected by the City. For grading plans and inspection; miscellaneous plans, such as, room additions, tenant improvements, etc., we propose an hourly time and material fee per Willdan's Schedule of Hourly Rates dated July 2003, attached herein. This fee schedule shall remain valid for at least one year from the effective date of the contract.

ENGINEERING

Principal Engineer.....	\$160.00
Division Manager.....	150.00
City Engineer.....	150.00
Project Manager.....	150.00
Supervising Engineer.....	135.00
Senior Engineer.....	120.00
Senior Design Manager.....	120.00
Design Manager.....	110.00
Associate Engineer.....	110.00
Senior Designer.....	105.00
Senior Design Engineer II.....	105.00
Senior Design Engineer I.....	100.00
Designer II.....	100.00
Designer I.....	95.00
Design Engineer II.....	95.00
Design Engineer I.....	90.00
Senior Drafter.....	90.00
Drafter II.....	80.00
Drafter I.....	75.00
Technical Aide.....	65.00

CONSTRUCTION MANAGEMENT

Division Manager.....	150.00
Project Manager.....	150.00
Senior Construction Manager.....	130.00
Construction Manager.....	120.00
Assistant Construction Manager.....	100.00
Utility Coordinator.....	105.00
Supervising Public Works Observer.....	105.00
Senior Public Works Observer.....	90.00
Public Works Observer.....	**80.00 / 90.00
Assistant Public Works Observer.....	**70.00 / 90.00
Labor Compliance Manager.....	105.00
Labor Compliance Specialist.....	80.00

SURVEYING

Division Manager.....	150.00
Supervisor - Survey & Mapping.....	135.00
Senior Survey Analyst.....	105.00
Senior Calculator.....	105.00
Calculator II.....	90.00
Calculator I.....	80.00
Survey Analyst II.....	90.00
Survey Analyst I.....	80.00
Survey Party Chief.....	100.00
Two-Man Field Party.....	200.00
Three-Man Field Party.....	250.00

LANDSCAPE ARCHITECTURE

Division Manager.....	150.00
Principal Landscape Architect.....	120.00
Senior Landscape Architect.....	100.00
Associate Landscape Architect.....	95.00
Assistant Landscape Architect.....	80.00

BUILDING AND SAFETY

Division Manager.....	150.00
Supervising Plan Check Engineer.....	120.00
Building Official.....	120.00
Plan Check Engineer.....	110.00
Deputy Building Official.....	110.00
Inspector of Record.....	110.00
Senior Plans Examiner.....	100.00
Supervising Building Inspector.....	100.00
Plans Examiner.....	90.00
Senior Building Inspector.....	90.00
Building Inspector.....	**80.00 / 90.00
Supervising Construction Permit Specialist.....	80.00
Senior Construction Permit Specialist.....	75.00
Assistant Building Inspector.....	**70.00 / 90.00
Code Enforcement Officer.....	65.00
Construction Permit Specialist.....	60.00
Assistant Construction Permit Specialist.....	55.00
Plans Examiner Aide.....	55.00
Assistant Code Enforcement Officer.....	55.00

PLANNING

Division Manager.....	150.00
Principal Planner.....	120.00
Principal Community Development Planner.....	120.00
Senior Planner.....	110.00
Senior Community Development Planner.....	110.00
Associate Planner.....	95.00
Associate Community Development Planner.....	95.00
Assistant Community Development Planner.....	85.00
Assistant Planner.....	85.00
Planning Technician.....	65.00
Community Development Technician.....	65.00

ADMINISTRATIVE

Computer Data Entry.....	50.00
Clerical.....	50.00
Word Processing.....	50.00
Personal Computer Time.....	15.00

**Prevailing Wage Project, Use \$90.00/Hour

Additional billing classifications may be added to the above listing during the year as new positions are created. Consultation in connection with litigation and court appearances will be quoted separately. The above schedule is for straight time. Overtime will be charged at 1.25 times, and Sundays and holidays, 1.70 times the standard rates. Blueprinting, reproduction, messenger services, and printing will be invoiced at cost plus fifteen percent (15%). A subconsultant management fee of fifteen percent (15%) will be added to the direct cost of all subconsultant services to provide for the cost of administration, consultation, and coordination.

EXHIBIT B

TERMS OF PAYMENT

1. The contractor's compensation shall be 75% of the City's collected plan check fee, per project.
2. The contractor will submit an invoice to the city once a month for progress payments along with documentation evidencing services completed to date. The progress payment is based on the amount of plan review completed. At no time will the City pay for more services than have been satisfactorily completed or in excess of the amount noted in paragraph one (1) above.
3. The City shall pay the contractor for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.

Client#: 6540

WILLDAN

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YY) 12/17/09
PRODUCER Dealey, Renton & Associates P. O. Box 10550 Santa Ana, CA 92711-0550 714 427-6810	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURERS AFFORDING COVERAGE		
INSURED Willdan Engineering 2401 E. Katella Avenue, Ste. 300 Anaheim, CA 92806	INSURER A: Travelers Property Casualty Co of Am INSURER B: Travelers Casualty Ins. Co. of Amerl INSURER C: Catlin Insurance Company, Inc. INSURER D: INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	6301158P020	11/09/09	11/09/10	EACH OCCURRENCE \$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$10,000
	<input checked="" type="checkbox"/> CONTRACTUAL				PERSONAL & ADV INJURY \$1,000,000
	<input checked="" type="checkbox"/> BFPD, XCU	INDP. CONTRACTORS INCLUDED			GENERAL AGGREGATE \$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS -COMP/OP AGG \$2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC				
A	AUTOMOBILE LIABILITY	8101158P020	11/09/09	11/09/10	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS				AUTO ONLY - EA ACCIDENT \$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				OTHER THAN AUTO ONLY: EA ACC \$
	GARAGE LIABILITY				AUTO ONLY: AGG \$
	<input type="checkbox"/> ANY AUTO				EACH OCCURRENCE \$
	EXCESS LIABILITY				AGGREGATE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				\$
	<input type="checkbox"/> DEDUCTIBLE				\$
	<input type="checkbox"/> RETENTION \$				\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	UB1302P790	11/09/09	11/09/10	<input checked="" type="checkbox"/> IWC STATUTORY LIMITS <input type="checkbox"/> OTHER
	E.L. EACH ACCIDENT \$1,000,000				
	E.L. DISEASE -EA EMPLOYEE \$1,000,000				
	E.L. DISEASE - POLICY LIMIT \$1,000,000				
C	OTHER Professional Liability	AED977441110	11/09/09	11/09/10	\$1,000,000 per claim
					\$1,000,000 annl aggr.

RISK MANAGEMENT
Approved

M. Alford 8-10-10
By Date

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
 General Liability policy excludes claims arising out of the performance of professional services
 Re: Building and Safety Plan Check and Inspection, Code Compliance Services, Job No. 02330
 (See Attached Descriptions)

CERTIFICATE HOLDER City of Moreno Valley Attn: Gary Kyle, Bldg Official PO Box 88005 Moreno Valley, CA 92552	ADDITIONAL INSURED; INSURER LETTER: CANCELLATION Ten Day Notice for Non-Payment of Premium SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>Patricia Conval</i>
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DESCRIPTIONS (Continued from Page 1)

City of Moreno Valley, its employees, officers, directors, volunteers, Redevelopment Agency, and community service District are Additional Insured as respects to General and Auto Liability as required by written contract. Primary and Non-Contributing coverage applies to GL as required by written contract.
(SAN BERNARDINO)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULED ADDITIONAL INSURED WRITTEN CONTRACT (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

NAME OF PERSON(S) OR ORGANIZATION(S):

City of Moreno Valley, its employees, officers, directors, volunteers,
Redevelopment Agency, and community service District

PROJECT/LOCATION OF COVERED OPERATIONS:

Building and Safety Plan Check and Inspection, Code Compliance
Services, Job No. 02330

PROVISIONS

1. The following is added to SECTION II - WHO IS AN INSURED:

The person or organization shown in the Schedule above is an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is limited as follows:

- c. In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the in-

surance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III — Limits Of Insurance.

- d. This insurance does not apply to the rendering of or failure to render any "professional services" or construction management errors or omissions.
- e. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to that additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

COMMERCIAL GENERAL LIABILITY

2. The following is added to Paragraph 4.a. of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

The insurance provided to the additional insured shown in the Schedule above is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But this insurance provided to the additional insured still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any "other insurance".

3. The following is added to **SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS**:

Duties Of An Additional Insured

As a condition of coverage provided to the additional insured:

The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:

- i. How, when and where the "occurrence" or offense took place;
- ii. The names and addresses of any injured persons and witnesses; and
- iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against the additional insured, the additional insured must:

- i. Immediately record the specifics of the claim or "suit" and the date received; and
- ii. Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d. The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of other insurance which would cover the additional insured for a loss we cover. However, this condition does not affect whether this insurance provided to the additional insured is primary to that other insurance available to the additional insured which covers that person or organization as a named insured.

4. The following is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract or agreement with the person or organization shown in the Schedule above, under which you are required to include that person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> A. BROAD FORM NAMED INSURED B. BLANKET ADDITIONAL INSURED C. EMPLOYEE HIRED AUTO D. EMPLOYEES AS INSURED E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS G. WAIVER OF DEDUCTIBLE – GLASS | <ul style="list-style-type: none"> H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT J. PERSONAL EFFECTS K. AIRBAGS L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS M. BLANKET WAIVER OF SUBROGATION N. UNINTENTIONAL ERRORS OR OMISSIONS |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and

executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – LIABILITY COVERAGE:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

COMMERCIAL AUTO

2. The following replaces Paragraph b. in B.5., Other Insurance, of SECTION IV - BUSINESS AUTO CONDITIONS:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph A.1., Who Is An Insured, of SECTION II - LIABILITY COVERAGE:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS - INCREASED LIMITS

1. The following replaces Paragraph A.2.a.(2), of SECTION II - LIABILITY COVERAGE:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph A.2.a.(4), of SECTION II - LIABILITY COVERAGE:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

F. HIRED AUTO - LIMITED WORLDWIDE COVERAGE - INDEMNITY BASIS

The following replaces Subparagraph e. in Paragraph B.7., Policy Term, Coverage Territory, of SECTION IV - BUSINESS AUTO CONDITIONS:

e. Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the

United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(1) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(a) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(b) Neither you nor any other involved "insured" will make any settlement without our consent.

(c) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(d) We will reimburse the "insured":

(i) For sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph C., Limit Of Insurance, of SECTION II - LIABILITY COVERAGE;

(ii) For the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., Limit Of Insurance, of SECTION II - LIABILITY COVERAGE.

and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

- (2) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess contingent or on any other basis.
- (3) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.
- (4) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph D., Deductible, of SECTION III – PHYSICAL DAMAGE COVERAGE:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph A.4.b., Loss Of Use Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph A.4.a., Transportation Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL EFFECTS

The following is added to Paragraph A.4., Coverage Extensions, of SECTION III – PHYSICAL DAMAGE COVERAGE:

Personal Effects

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Effects coverage.

K. AIRBAGS

The following is added to Paragraph B.3., Exclusions, of SECTION III – PHYSICAL DAMAGE COVERAGE:

~~Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:~~

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph A.2.a., of SECTION IV – BUSINESS AUTO CONDITIONS:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);

COMMERCIAL AUTO

- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph A.5., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV – BUSINESS AUTO CONDITIONS:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the ex-

tent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

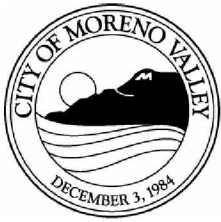
The following is added to Paragraph B.2., Concealment, Misrepresentation, Or Fraud, of SECTION IV – BUSINESS AUTO CONDITIONS:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

Name of Person or Organization:

City of Moreno Valley, its employees, officers, directors, volunteers, Redevelopment Agency and community service District

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APPROVALS	
BUDGET OFFICER	<i>mg</i>
CITY ATTORNEY	<i>RS</i>
CITY MANAGER	<i>WDS</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: PM 33152-1 – REQUEST TO EXTEND THE DURATION FOR A FULL ROAD CLOSURE OF OLD 215 FRONTAGE ROAD BETWEEN ALESSANDRO BOULEVARD AND DAY STREET FOR THE CONSTRUCTION OF STREET IMPROVEMENTS FROM JULY 17, 2010 – SEPTEMBER 30, 2010

Developer: ANDLAND PROPERTIES, LLC
22629 FELBAR AVENUE
TORRANCE, CA 90505

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Authorize the additional 68-day extension recommended by the City Engineer for the full road closure of Old 215 Frontage Road Street from Alessandro Boulevard to Day Street for the construction of street improvements from July 17, 2010 to September 30, 2010.
2. Authorize the City Engineer to allow for an additional 30-day extension to the proposed road closure window if the project is delayed due to unforeseen construction issues.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

BACKGROUND

On March 4, 2009, the Planning Commission of the City of Moreno Valley approved an Administrative Plot Plan to phase the project and create Parcel Map 33152-1, and accept phase-specific Conditions of Approval. Construction of the street improvements is being performed to prepare for future development in the surrounding area and as a Condition of Approval for PM 33152-1.

On July 14, 2009, the City Council of the City of Moreno Valley was asked to approve the modified Public Improvement Agreement and securities. The Agreement and securities include the construction of the street improvements.

DISCUSSION

On February 23, 2010, Andland Properties LLC requested an extension of the full road closure of Old 215 Frontage Road Street between Alessandro Boulevard and Day Street to facilitate the construction of the street improvements on Old 215 Frontage Road. This request also included the approval to authorize the City Engineer to allow for an additional 30-day extension, which was granted and was scheduled to expire on July 17, 2010.

Due to continued unforeseen delays in the coordination with several utility companies, Andland Properties LLC approached the City Traffic Engineer and the City Engineer for an emergency extension due to the City Council being on recess. Staff conducted an assessment of the site and it was determined that there were numerous issues with the current state of the roadway thereby potentially generating unsafe driving conditions if the street were to be re-opened. Based upon the current field conditions and in the interest of public safety, the City Engineer recommended to extend the closure date to September 30, 2010 in his e-mail to Council dated July 19, 2010. Public Works staff is now seeking Council's approval to ratify the additional 68-day extension recommended by the City Engineer to complete the work.

The original request for the road closure was due to major improvement work including, but not limited to, removal of existing asphalt pavement, installation of asphalt paving, curb, gutter, sidewalk, medians, driveway approaches, street lights, landscaping, storm drain culverts, dry utilities, traffic signal modifications, and associated signing and striping. After the new pavement is installed, the remaining street improvements required of the project will be constructed, and the road will be re-opened to traffic.

There are five parcels in the area of construction. The road closure will continue to impact the ingress or egress of all of the parcels, and detouring for the traveling public. City staff was advised by the developer that all potentially affected property owners have been contacted/notified. The original road closure/detour/traffic control plan approved for this closure by the City Traffic Engineer will remain in force. The current road closure has generated no traffic problems or complaints from the motoring public or surrounding community.

ALTERNATIVES

1. Authorize the additional 68-day extension recommended by the City Engineer for the full road closure of Old 215 Frontage Road between Alessandro Boulevard and Day Street for the construction of street improvements from July 17, 2010 to September 30, 2010. Authorize the City Engineer to allow for an additional 30-day extension to the proposed road closure window if the project is delayed due to unforeseen construction issues.
2. Do not authorize the additional 68-day extension recommended by the City Engineer for the full road closure of Old 215 Frontage Road between Alessandro Boulevard and Day Street for the construction of street improvements from July 17, 2010 to September 30, 2010. Do not authorize the City Engineer to allow for an additional 30-day extension to the proposed road closure window if the project is delayed due to unforeseen construction issues. *This alternative would force the developer to re-open the roadway, thereby generating additional construction delays and expense, and potentially create an unsafe roadway for the motoring public.*

FISCAL IMPACT

The Developer will be responsible for all costs associated with this proposal.

CITY COUNCIL GOALS

PUBLIC SAFETY

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

NOTIFICATION

The approved traffic control/detour plan requires the contractor to give notification to the Post Office, Police, Fire Department, Ambulance Services, Riverside Transit Authority, Waste Management, and affected businesses and residents. The public will be notified by special roadside signage showing the modified dates of closure and detour signs.

EXHIBITS

- Exhibit "A" – Vicinity Map
- Exhibit "B" – Road Closure Detour Map
- Exhibit "C" – GIS Orthography Map

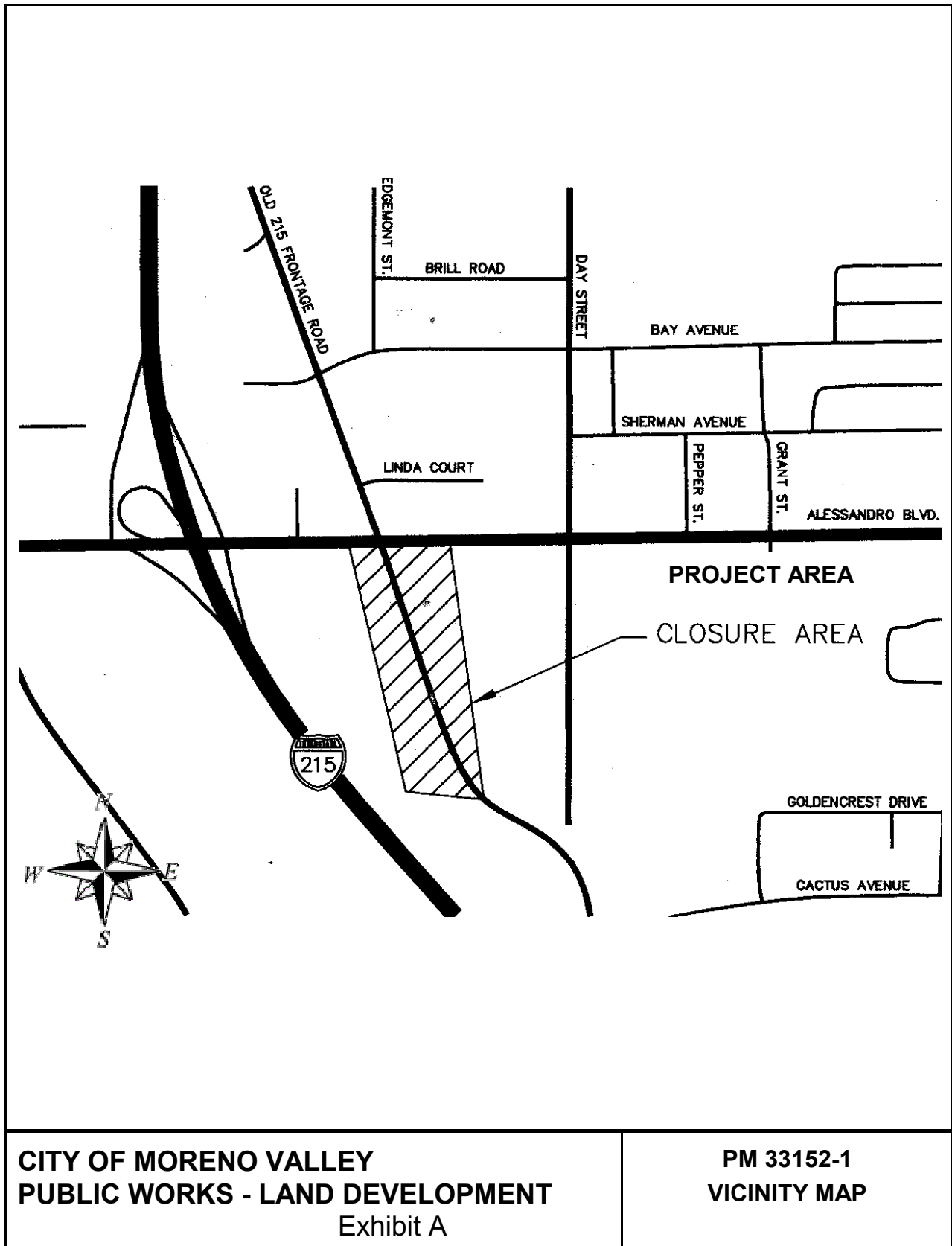
Prepared By
Mark W. Sambito, P.E.
Engineering Division Manager

Department Head Approval
Chris A. Vogt, P.E.
Public Works Director/City Engineer

Concurred By
Eric Lewis
Transportation Division Manager/
City Traffic Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\LandDev\MANAGEMENT ASSISTANT\Staff Reports\2010\8-24-10 PM 33152-1 - Old 215 Road Closure Extension.doc



CITY OF MORENO VALLEY
PUBLIC WORKS - LAND DEVELOPMENT
 Exhibit A

PM 33152-1
VICINITY MAP









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Old 215 Frontage Road

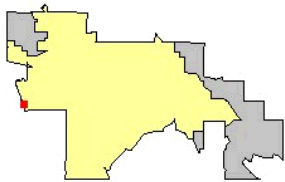
Road Closure Site Map

Legend

-  Parcels
-  Roads
-  Waterbodies
-  Ortho Photography
- City Boundaries**
-  Calimesa
-  Moreno Valley
-  Perris
-  Riverside



Powered By GeoSmart.net



City of Moreno Valley
14177 Frederick St
Moreno Valley, CA 92553

DISCLAIMER: The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses, or damages resulting from the use of this map.

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Exhibit "C"



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**MINUTES - SPECIAL MEETING OF JULY 6, 2010 (Report of:
City Clerk's Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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**MINUTES - REGULAR MEETING OF JULY 13, 2010 (Report
of: City Clerk's Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.3

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Ret</i>
CITY MANAGER	<i>WDS</i>

Report to City Council

TO: Mayor and City Council, Acting in their Respective Capacities as President and Members of the Board of Directors of the Moreno Valley Community Services District

FROM: Michael J. McCarty, Director of Parks and Community Services

AGENDA DATE: August 24, 2010

TITLE: New Lease Agreement for Caretakers of the Moreno Valley Equestrian Park and Nature Center

RECOMMENDED ACTION

Staff recommends that the City Council, acting in their capacity as the Board of Directors of the Moreno Valley Community Services District:

1. Authorize staff to charge \$500.00 per month rent, beginning September 1, 2010, to Robert and Christina Humbarger, the current Caretakers of the Moreno Valley Equestrian Park and Nature Center.
2. Direct the Financial and Administrative Services Director to deposit all collected rental revenues into account 161.1610.4548.03 (Mobile Home Rentals).

BACKGROUND

The Moreno Valley Equestrian Park and Nature Center, located at 11150 Redlands Boulevard, is in the northeast portion of the City. The site includes a lighted equestrian arena, warm-up and holding pens, dog park, and a three-bedroom mobile home.

On March 25, 2003, Council approved staff entering into a lease agreement with Robert and Christina Humbarger to be the Caretakers of the Moreno Valley Equestrian Park and Nature Center. The Caretakers moved into the mobile home in June 2003 and have performed small duties and provided daily security of the Equestrian Center to staff's satisfaction. While the Caretakers have been diligent in maintaining the interior and exterior of the mobile home, use of the facility did not increase as expected, so the Caretakers' duties were much lighter than originally anticipated.

To maintain equity, since July 1, 2005, a nominal rent of \$400.00 per month was implemented and is currently being charged to the Caretakers. Staff now proposes to increase the rent to \$500.00 per month, beginning September 1, 2010.

DISCUSSION

Staff has determined that the property requires consistent, daily security beyond what is currently provided at other City facilities and the CSD does not have available employees or other resources to perform the services for the property. Staff recommends retaining the services of the Caretaker, but is recommending that the rent be increased to \$500.00 per month, beginning September 1, 2010. Staff has spoken with the Caretakers who have agreed to this charge. In addition, staff is proposing that the rent revenue be reserved to offset any future repair costs to the mobile home.

ALTERNATIVES

1. Elect to charge the current Caretakers rent in the amount of \$500.00 per month, beginning September 1, 2010. **Staff recommends this alternative.**
2. Elect not to charge the current Caretakers rent in the amount of \$500.00 per month, beginning September 1, 2010, and provide staff direction on how to fund future repairs at this site. **Staff does not recommend this alternative.**

FISCAL IMPACT

Should Council approve charging the current Caretakers rent in the amount of \$500.00 per month, annual revenues of \$6,000.00 will be realized. Funds will be deposited into account 161.1610.4548.03 (Mobile Home Rentals).

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

SUMMARY

The Moreno Valley Equestrian and Nature Center requires consistent, daily security beyond what is currently provided at other City facilities and the CSD does not have

available employees or other resources to perform the services for the property. To meet this need, staff is recommending that the services of the Caretaker be retained, along with increasing the Caretakers rent to \$500.00 per month, beginning September 1, 2010. Staff has spoken with the Caretakers who have agreed to this charge. In addition, staff is proposing that the rent revenue be reserved to offset any future repair costs to the mobile home.

NOTIFICATION

Posting of the Agenda

ATTACHMENTS/EXHIBITS

Lease for Moreno Valley Equestrian Park and Nature Center Mobile Home

Prepared By:
Steve Kupsak
Parks Maintenance Division Manager

Department Head Approval:
Michael J. McCarty, Director
Parks and Community Services

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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LEASE FOR MORENO VALLEY EQUESTRIAN PARK
AND NATURE CENTER MOBILE HOME

This Agreement is made and entered into this 1st day of September 2010, by and between the Moreno Valley Community Services District, a district organized and existing pursuant to the community services district laws of the State of California ("CSD"), and Robert and Christina Humbarger hereinafter described as "Tenant."

WHEREAS, the CSD desires to lease to Tenant and Tenant desires to lease from CSD the premises generally described as the Mobile Home located within the Moreno Valley Equestrian Park and Nature Center and the real property upon which the Mobile Home directly rests, together with the right to use the real property immediately surrounding the Mobile Home as designated by the Parks and Community Services Director ("Director") for reasonable and customary residential purposes (the "premises"), it is herein agreed as follows:

1. CSD hereby leases to Tenant the premises on a month-to-month tenancy basis. Prior to taking possession of the leased premises, Tenant shall deliver to CSD a cleaning and security deposit in the amount of One Hundred and no/100 Dollars (\$100.00). Said deposit shall be refunded to Tenant at the time Tenant vacates the premises, less the cost of any cleaning or repairs necessitated by Tenant's failure to properly care for the premises. At the termination of tenancy, Tenant shall return the premises to the CSD in good repair and clean condition, normal wear and tear excepted.
2. CSD and Tenant agree to rental payments in the amount of Five Hundred and No/100 Dollars (\$500.00) per month and that Tenant shall also provide the services described in Exhibit A (the "rental services"). Failure to pay the \$500.00 per month rental fee and to provide such services in a reasonable and diligent manner shall constitute a material breach and entitle CSD to terminate this lease in accordance with paragraph 16 below. However, in the event that Tenant fails to provide such rental fees and services, CSD shall have the option, but not the obligation, in lieu of termination of the lease, to assess additional monetary rent to Tenant in the amount of \$25.00 for each day Tenant fails to provide the agreed upon rental fee and services or fails to provide such rental services in a reasonable and diligent manner. Such monetary rent shall not be assessed for those times where CSD has been notified in advance of Tenant's proposed absence under paragraph 26 below, provided that such absences not exceed three days in any thirty-day period, nor fourteen days in any twelve-month period. Any monetary rent assessed hereunder shall be due and payable within five business days after notice of such assessment. Failure to make any such payment when due shall be a material breach of this lease. The CSD has the option to increase rental rates annually by ten percent (10%).
3. Tenant shall immediately commence occupation of the Mobile Home described above and perform the rental services described in Exhibit A within five calendar days after the effective date of this Lease.

4. Tenant shall perform the rental services as described in Exhibit A, using reasonable care and diligence.
5. The CSD shall be responsible for the following utility payments: electricity, trash, and water. The Tenant shall be responsible for payment of any other utilities, including, but not limited to: propane, telephone, and cable television service.
6. Tenant shall not take in boarders or sublet the Mobile Home in any fashion.
7. Tenant shall use the leased premises exclusively for a private residence for occupancy by no more than two persons. CSD covenants that the Tenant shall have, hold and enjoy the leased Mobile Home for the term of this Lease, subject to the conditions set forth herein.
8. Tenant shall repair or replace, at Tenant's expense, all loss or damage to any of the carpets, draperies, appliances and other household goods whenever such damage or loss shall have resulted from Tenant's misuse, waste or neglect of said furnishings (not to include normal wear and tear).
9. Tenant shall cause to be made, at Tenant's expense, all required repairs to heating and air conditioning apparatus, electric and gas fixtures and plumbing work whenever such damage shall have resulted from misuse, waste or neglect of Tenant, it being understood that CSD is to have same in good order and repair when giving possession.
10. Tenant shall keep the premises in good order and repair and shall advise CSD or CSD's agent of any needed repairs or maintenance reasonably expected to cost \$50.00 or more. Tenant shall not make alterations, additions, or improvements to the property without prior consent to the CSD.
11. Tenant shall give prompt notice to CSD of any dangerous, defective, unsafe or emergency condition in or on the leased premises, said notice being by any suitable means. CSD or its agent shall repair and correct said conditions promptly upon receiving notice thereof from Tenant.
12. Tenant shall not change or alter in any manner any of the locks on the gates, doors, fences, etc. located on the property without prior approval of the CSD.
13. Tenant shall be considered for all purposes only a Tenant of real property and/or an independent contractor. It is understood and agreed that nothing contained herein shall be construed as making the Tenant or any individual who performs services under this Lease an agent or employee of the CSD and/or the City of Moreno Valley ("City"), or authorize the Tenant to create or assume any obligation or liability for or on behalf of the CSD and/or the City. Tenant expressly waives any rights to be considered an employee of CSD, the City or any affiliated public agency by virtue of the rental services, and acknowledges that Tenant shall not be entitled to any benefits of

employment, including without limitation, workers compensation coverage, retirement benefits, wages or overtime payments.

14. The Tenant and the CSD agree to use reasonable care and diligence in performance of their respective obligations under this Lease.

15. The Tenant shall comply with all applicable federal, state, and local laws in the performance of rental services under this Lease. Tenant agrees to comply with all sanitary laws, ordinances and rules affecting the cleanliness, occupancy and preservation of the premises during the term of this Lease.

16. Termination of Lease.

- A. CSD or Tenant may terminate this lease without breach or fault on the part of the other upon sixty days written notice.
- B. In the event of any breach by the Tenant of any of the Tenant's covenants, or agreements herein, CSD or its agents may give Tenant a three-day notice to cure said breach or quit the premises. Such notice shall set forth in writing which covenants or agreements have been breached and shall be deemed to be, for all purposes, the three-day notice to pay rent or quit required by California landlord-tenant laws. If any breach is not cured within said three-day period, CSD or its agents may terminate this lease. Upon terminating this lease as provided herein, CSD or its agent may commence proceedings against Tenant for his removal as provided for by law, as well as for collection of any unpaid monetary rent assessed under paragraph 2 above.
- C. Upon termination of the lease, Tenant shall vacate the premises, leaving it in good repair and clean condition.

17. The Director or his/her designated representative shall be the primary contact person regarding performance of this Lease. The Director or his/her designated representative shall cooperate with the Tenant, and the Tenant shall cooperate with the CSD in all matters regarding this Lease and in such a manner as will result in the performance of the rental services in a timely and expeditious fashion.

18. The Tenant shall employ no CSD or City official or employee in the rental services performed pursuant to this Lease. No officer or employee of the CSD or City shall have any financial interest in this Lease in violation of federal, state or local law. Any employee Tenant retains to perform rental services shall be subject to prior approval by the CSD and shall acknowledge this Lease and agree in writing that he/she is not an employee of the CSD, the City, or any affiliated public agency, prior to undertaking any duties.

19. The Tenant understands and agrees that the appliances, curtains, and other attached items are the property of the CSD and shall remain in the Mobile Home when this Lease is terminated.

20. The CSD covenants that the leased premises are, to the best of its knowledge, clean, safe, sound and healthful and that there exist no violations of any applicable housing code, law or regulation of which it is aware.

21. No animal, bird, or pet shall be kept in or about the premises without written permission of the CSD.

22. Tenant's personal property is not insured by the CSD. Tenant is required to provide his or her own renter's insurance. The CSD is not responsible for theft or loss of Tenant's personal possessions.

23. Tenant shall not keep or have in or on the leased premises any article or thing that might be pronounced "hazardous" or "extra hazardous" by any responsible insurance company.

24. Tenant shall, at reasonable times, give access to CSD or its agents for any reasonable and lawful purpose. In an emergency, the CSD, its agents or authorized representative may enter the premises at any time without securing prior permission from the Tenant, for the purpose of making corrections or repairs to alleviate such emergency.

25. If the Tenant abandons or vacates the premises, the CSD may terminate this Lease and retain possession in the manner prescribed by law.

26. The Tenant agrees to provide thirty-day advance notice to the CSD when planning to be away from the premises or otherwise unable to provide the rental services more than two consecutive days and one week's prior notice when planning to be away from the premises overnight. Tenant may be away from the premises under this paragraph without breach of lease for failure to provide the rental services for those periods set forth in paragraph 2 above.

27. The Tenant agrees to indemnify, defend, and save the CSD, City and the Community Redevelopment Agency of the City of Moreno Valley ("RDA"), its officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including the Tenant and any and all residents of the premises, and all claims which arise from or are connected with the negligent performance of or failure to perform the rental services or other obligations of this Lease, or are caused or claimed to be caused by the negligent acts of the Tenant, his/her minor children, spouse, or other individual residing on the premises, and all expenses of investigating and defending against the same; provided, however, that this indemnification and hold harmless shall not include any claims arising from the sole negligence or willful misconduct of the CSD, City, and/or RDA, its officers, agents, and/or employees. The obligation to indemnify, defend and hold harmless set forth herein shall include, without limitation, any and all attorney's fees incurred by the party to be indemnified, defended or held harmless, whether in a judicial or administrative action or in arbitration, and

whether the issue is between the parties or involves one or more third parties. The CSD, City and RDA shall be added as additional insureds on all insurance policies that the Tenant chooses to obtain regarding the premises. The Tenant shall provide his own auto insurance. The Tenant shall, under no circumstances, hire others to work on the premises.

28. The laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Lease, and shall also govern the interpretation of this Lease.

29. Unless otherwise provided for elsewhere in this Lease, any notice required or authorized herein shall be given in writing and mailed via U.S. first-class mail.

30. This Lease represents the entire and integrated agreement between the CSD and the Tenant, and supersedes all prior negotiations, representations or agreements, either written or oral. This Lease may be modified or amended only by a subsequent written addendum signed by both parties.

31. CSD and Tenant agree that this Lease, when filled out and signed, is a binding legal obligation.

32. This Lease supersedes any prior lease agreement on the property.

City of Moreno Valley

Tenant

Mayor, Acting in the Capacity as
President of the Board of Directors of the
Moreno Valley Community services District

Robert Humbarger

Social Security Number: _____

Date: _____

Date: _____

APPROVED AS TO FORM THIS

_____ day of _____, 2010

Christina Humbarger

Social Security Number: _____

City Attorney

Date: _____

Attachment
Exhibit A

EXHIBIT A
SERVICES TO BE PROVIDED BY TENANT

It is understood that the term "property" described below includes all areas of the Moreno Valley Equestrian Park and Nature Center, including without limitation, the following areas: All parking lots, fenced mobile home site, construction trailer, arena, and area above the arena. The Tenant will report anything unusual to the CSD's representative as soon as possible. The Tenant shall:

1. Maintain security of the property by patrolling all areas at least twice a day, seven days a week. Ensure that all gates, restrooms, etc. are locked up and lights are turned off not later than 10:00 p.m. each evening, unless specifically informed otherwise by the CSD.
2. Be present on the property and alert for security or maintenance problems, for such hours as shall be agreed upon by the Tenant and CSD.
3. Report any security, park use or maintenance problems or issues to CSD or the police, as may be appropriate, promptly upon discovery.
4. Maintain a pleasant manner and good relations with members of the public and persons lawfully using the Moreno Valley Equestrian Park and Nature Center.
5. Assist in keeping all areas of the property free of trash and debris on a daily basis. Remove graffiti as needed within 24 hours of being discovered (materials for graffiti removal are available from the CSD).
6. Inspect all plant material and report any findings of distress as soon as possible to the CSD.
7. Report any malfunctioning lights and irrigation/sprinklers as soon as possible to the CSD.
8. Clean, maintain and restock restroom facility on a daily basis (supplies to be provided by the CSD).
9. Report any light outages to the CSD as soon as possible.
10. Maintain the mobile home and surrounding yard in an attractive appearance that enhances the value of the property.
11. Allow periodic inspections of the Tenant's residence and assist CSD staff with any repairs to the residence as needed.

ORDINANCE NO. CSD 54

AN ORDINANCE OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT, OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING SECTION 5e OF ORDINANCE NO. CSD 52, RELATING TO THE CARRYING OF BLANK SHOOTING PISTOLS AND THE SHOOTING OF BLANKS AT THE MORENO VALLEY EQUESTRIAN CENTER

The City Council of the City of Moreno Valley, acting in its capacity as the President and Board of Directors of the Moreno Valley Community Services District, does ordain as follows:

1.1 AMENDMENT: Section 5. Regulations of CSD Ordinance No. CSD 52 is amended in its entirety to read as follows:

SECTION 5. REGULATIONS:

Unless specifically provided otherwise in this Ordinance, the following regulations shall apply in all parks and recreation facilities:

a. Operation of Vehicles and Bicycles.

1. Roads for Public Use. The provisions of the California Vehicle Code are applicable in all parks upon any way or place, which is publicly maintained and open to the use of the public for vehicular travel. Violations of said vehicle code within a park shall be enforced and prosecuted in accordance with the provisions thereof. The City Traffic Engineer is hereby authorized and directed, on the account of the District, to post appropriate signs advising of the vehicular travel restrictions in force within a particular park when duly authorized to do so by action of the Board of Directors.

2. Operation of Vehicles and Bicycles. No person shall drive or otherwise operate a vehicle in a park, and no person shall ride a bicycle (as defined in the California Vehicle Code) in a park, upon any surface other than those maintained and open to the public for purposes of vehicular travel or parking. Vehicles may use such temporary parking areas as may be designated by appropriate signs from time to time by the Director. This provision does not apply to any vehicle being used for authorized District business, or to any police or other emergency vehicles performing an authorized mission, nor to a vehicle, which is within a park pursuant to written permission of the Director. Neither does this provision apply to any electrically driven wheelchair carrying a physically incapacitated person.

b. Solicitation Prohibited. No person shall practice, carry on, conduct, or solicit for, any trade, service, occupation, business, or profession in any park, or sell or offer for sale therein or thereon any merchandise, article, or anything whatsoever. This Section shall not apply to any person acting pursuant to a contract with the District or under an authorization duly granted by the Director pursuant to standards and criteria approved by the Board of Directors.

c. Prohibition of Animals in Parks. No person shall cause, permit, or allow any animal owned or possessed by him, or any animal in the custody or control of such person, to be present in any park except:

1. Equine animals being led or ridden under reasonable control upon a bridle path or trail authorized and provided for such purpose;

2. Equine or other animals which are hitched or fastened at a place expressly authorized and designated for such purpose;

3. Dogs or cats when caged, or when led by a cord or chain not more than six feet long, or when confined within the interior of a vehicle;

4. Service animals which have been specially trained and are being used by blind or disabled persons to aid and guide them in their movements;

5. Small pets which are kept on the person of the possessor at all times;

6. In connection with activities authorized by the Director and when in accordance with all conditions attached to such authorization;

7. Fowl or animals turned loose at the direction or with the written permission of the Director.

8. Exceptions. The requirement for a dog to be on-leash while in a public park shall not apply to the following:

(a) Any dog used by a law enforcement agency.

(b) A dog while participating in a dog obedience training program or a dog obedience or conformation show authorized by the Director, although such dog shall be on leash or otherwise restrained while not actively participating in such show or program.

(c) A dog within a posted "leash optional" area of the park as designated by the Director, provided, however, nothing herein shall relieve the owner or person having charge, care, custody or control of such dog from the responsibility to

maintain proper control over such dog nor shall this Subsection be construed as relieving such person from liability for any damages arising out of his or her dog's action while using the leash optional area.

d. Responsibility of Animal Owner.

1. Each person who owns, or who has custody, possession, or control of an animal within a park shall collect, pick up, and remove all fecal matter and debris promptly after it has been deposited or left behind by said animal in or upon a park. This Subsection shall not apply to guide dogs for blind or disabled persons.

2. No dog is permitted in any designated leash optional area in the custody of a child twelve years of age or younger unless such child is accompanied and supervised by a person at least eighteen years of age.

3. No person may have more than two dogs in a designated leash optional area at any one time.

4. Any dog in a designated leash optional area must be under the voice control of the person having custody of such dog while the dog is in said area.

5. No dogs are permitted in a designated leash optional area except during posted hours of operation.

6. No person shall place a dog in a designated leash optional area, which is not over the age of four months, vaccinated for rabies and wearing a currently valid issued dog tag, or whose owner has within his or her possession said dog tag.

7. No person shall place a dog that is sick or in heat in a designated leash optional area.

8. No person shall place an aggressive dog of any breed in a designated leash optional area even if such dog is on a leash.

9. Any person having care or custody of a dog in a leash optional area shall quiet the dog if the dog barks.

10. No person shall bring any animal other than a dog to a leash optional area unless otherwise specifically authorized by the Director in writing.

11. The use of a leash optional area by the owner or other person having charge, care, custody or control of a dog shall constitute agreement by that person to follow the rules provided herein and his or her agreement to protect, indemnify, defend, and hold harmless the District/City and its officers and employees from any claim, injury or damage arising from or in connection with use.

e. Prohibition of Firearms, Weapons, and Fireworks.

1. No person shall carry or discharge any firecracker, rocket, torpedo, or other type of explosive, or carry or discharge any air gun, rifle, pistol, sling shot, bow and arrow, or any similar device or weapon including firearm, knife (as defined in the Penal Code as a illegal weapon), etc., within or into a park; nor shall any person carry into or use any other object within a park with the intent of disturbing the peace of any person by means of noise or otherwise.

2. This prohibition shall not apply to the engaging in or traveling to target practice conducted in accordance with appropriate standards of safety at an archery, skeet, or target range authorized and provided by the district for such purpose; nor shall this prohibition apply to law enforcement personnel acting within the scope of their official duties.

3. This prohibition shall not apply to the use of non-projectile firearms at the Moreno Valley Equestrian Center for practice, exhibition, or competition related to re-enactment programs or events authorized through the issuance of a formal permit pursuant to Section 11.40.050(D) of this Code.

4. Any device carried into or used within a park in violation of this provision is subject to confiscation by any law enforcement officer or duly authorized district employee and, in the event thereof, shall be thereafter disposed of in accordance with law, including without limitation any applicable district regulations.

f. Damaging Property Prohibited. No person shall cut, break, injure, deface, or disturb any tree, shrub, plant, rock, building, cage, pen, monument, fence, bench, or other structure, apparatus, or property, or pluck, pull up, cut, take, or remove any shrub, bush, plant, or flower, or mark or write upon, paint, or deface in any matter any building, monument, fence, bench, or other structure within a park. This prohibition shall not apply to any employee or contractor of the District or of the City acting within the scope of such employment or contract.

g. Damaging Land Prohibited. No person shall cut or remove any wood, turf, grass, soil, rock, sand, gravel, or fertilizer from a park or from any place within a park. This prohibition shall not apply to any employee or contractor of the District or of the City acting within the scope of such employment of contract.

h. Water. No person shall swim, fish in, bathe, wade, row, sail, or operate any boat, craft, or other device, on or in any pond, lake, or stream within or into a park, except at such place or places authorized and provided by the District for such use; nor shall any person pollute the water of any fountain, pond, lake, stream, or reservoir within a park or which would carry pollution to the water of a foundation, pond, lake, stream, or reservoir within a park.

i. Hazardous Waste: No person shall discharge any form of hazardous waste including flammable liquids, toxic chemicals, caustic substances, poisons, motor oil, lye, benzene, chloride, or any other material that could be a hazard to a person, animal or property, in any park-

j. Fires. No person shall make or kindle a fire within a park except in stoves or other facilities specifically provided for such purpose. No fire shall be lit or maintained within a park between the hours of 10:00 p.m. and 8:00 a.m. of the next succeeding day, except by written permission of the Director.

k. Prohibited Presence. No person shall tent, camp, lodge, or otherwise be present in any park after 10:00 p.m. or before 8:00 a.m. except when lawfully in attendance at an event approved by the Director.

l. Littering, Waste Liquids and Refuse. No person shall dispose of dishwater or other waste liquids or dispose of any garbage, empty container, or other solid waste material within a park, other than in receptacles or other facilities provided for such disposal.

m. Gambling. No person shall play or bet at or against any game in a park, which game is played, conducted, dealt or carried on with cards, dice, or other device, for money, chips, shells, credit, or any other thing of or redeemable for value, nor maintain or exhibit any gambling table or other instruments of gambling or gaming within a park. This prohibition shall not apply to simulated gambling games or to bingo games when conducted by a non-profit organization during fund-raising events pursuant to a permit issued by the Director pursuant to Section 5 of this Ordinance and in compliance with all other applicable law.

n. Prohibited Activities. No person shall play or engage in model airplane flying, driving of golf balls, or any activity of a hazardous nature within a park, except at such place as shall be especially set apart and authorized for such purpose.

o. Disturbing the Peace. No person shall indulge in riotous, boisterous, threatening, or indecent conduct, or abusive, threatening, profane, or indecent language, within a park in such a manner as to disturb the public peace or to materially disrupt the quiet enjoyment of such park or of nearby properties by any other person who is lawfully present.

p. Advertising Matter. Except as authorized in writing by the Director, or except in performance of an official duty, no person shall post, place, or erect any bill, notice, paper, or advertising device or matter of any kind within a park.

q. Meetings. No person shall hold any meeting, service, concert, exercise, parade or exhibition requiring a Special Events permit under Chapter 11.38 of this Code

without obtaining and complying with such permit. This Subsection shall not be construed to deprive any person of a right protected by state or federal law or constitution.

r. Protection of Animals. No person shall hunt, frighten, chase, set a snare for, catch, injure, or maltreat any domestic or other animal within a park, nor shall any person fish with hook and line, seine, trap, spear or net, or by any other means, in any pond, lake, stream, or water within a park, except at a place especially authorized and provided for such purpose. This prohibition shall not apply to law enforcement personnel, animal control officers, District employees, or District contractors acting within the scope of their official duties or contract obligations, or residents attempting to catch household pets.

s. Use of Restroom. No person shall use any restroom, washroom, or dressing facility within a park when the same has been designated for persons of the opposite sex. This Subsection shall not apply to children accompanied by their parent or guardian.

t. Use of Bicycles in Parks.

1. Except as set forth in Section 2, no person shall ride any bicycle within a park except at or on a place specifically authorized and provided for such purpose. While elsewhere within a park, bicycles shall be dismounted and pushed when moving from place to place.

2. If bicycle riding is authorized, users are required to wear safety gear such as helmet, kneepads, wrist guards, elbow pads or other required equipment for the authorized use of such activity as required by law.

u. Use of Skate Park.

1. No person shall use the skate park at times other than those established by the District as the hours of operation;

2. No person shall use the skate park areas for uses other than skateboarding, skating and BMX bike riding;

3. No person shall use the skate park without wearing the required safety equipment, including a helmet, elbow pads, and knee pads;

4. No person shall litter or place trash or debris in or on the skating surface. All trash shall be placed in a designated trash receptacle provided, and failure to do so shall be grounds for expulsion from the skate park;

5. No person shall skate or ride on the curbs, sidewalks, fences, railings and/or driveways of the District/City-owned areas surrounding the skateboarding/skating surface;

6. No person shall skate or ride in a reckless manner with disregard for the safety of persons or property in the skate park;

7. No glass containers are allowed in the designated skateboarding/skating areas. Food and drink are allowed in designated areas only;

8. No additional obstacles may be placed in the designated skateboarding/skating areas;

9. No person shall use the skate park if a hazardous condition exists, including, but not limited to, inclement weather conditions, or significant cracks, breaks or other irregularities in the skating surface of the skateboard/skating areas;

10. BMX bikes will be permitted only during designated sessions under supervision of concessionaire or District staff.

v. Amplified Sound in Parks. No person shall cause the amplification of sound within a park if the noise level caused thereby exceeds 60 decibels from all channels of equipment used, except pursuant to a permit issued by the Director, and in compliance with the following conditions:

1. The location of each grandstand and gathering, and the position of each loudspeaker shall be as specified in writing by the Director so as to cause the least amount of disturbance to other persons, both within and without the park;

2. Amplified sounds shall not exceed 60 decibels at a point 50 feet in front of the midpoint of a straight line between any two-loudspeaker installations.

w. Use of Alcohol in Parks. No person shall enter, be in or remain in a park owned, operated or controlled by the City or District, while under the influence of any alcoholic beverage or while in possession of, transporting, purchasing, selling, giving away or consuming any alcoholic beverage, unless a formal permit is granted by the City Manager pursuant to Ordinance CSD-8. Such permit shall be obtained, and the fee as established by resolution of the City Council therefor paid, regardless of the size of the gathering or assembly which desires the privilege of using park area to drink beer, wine or other intoxicating beverage.

x. Use or Sale of Narcotics and Illegal Drugs in Parks. No person shall enter, be in or remain in any park owned, operated or controlled by the City or District, while in possession of, transporting, purchasing, selling, giving away or consuming any narcotics or illegal drugs, except possession of or consumption of prescription medication by the person for whom it was prescribed.

y. Washing or Repairing Cars. No person shall engage in the washing, cleaning, repairing, renovating or painting of any vehicle within a park, except those emergency repairs immediately necessary to render such vehicle safe may be made.

z. Speed Limits. No person shall drive a vehicle within a park other than in a reasonable and prudent manner but in no case to exceed 15 miles per hour.

aa. Parking. No person shall park any vehicle within a park except for the duration of his or her visit to such park. No person shall leave or park any motor vehicle, on any driveway, or at any other place, except at such place or places as are designated for vehicle parking.

bb. Smoking in Parks.

1. No person shall smoke within a park owned, operated or controlled by the City or District except in an area designated and posted as available for smoking at or on the grounds of a recreation center by direction of the Parks and Community Services Director.

2. No person shall dispose of any cigarette, cigar or other tobacco product or any part thereof in a park except in a designated waste disposal container.

3. Violations and Penalties. Any person who violates any provision of this section by smoking in a park is guilty of an infraction and, upon conviction thereof, shall be punished in accordance with Chapter 1.10 Civil Citations, of the Moreno Valley Municipal Code.”

2.1 EFFECT OF ENACTMENT:

Except as specifically provided herein, nothing contained in this ordinance shall be deemed to modify or supersede any prior enactment of the Board of Directors which addresses the same subject addressed herein.

3.1 NOTICE OF ADOPTION:

Within fifteen days after the date of adoption hereof, the Secretary of the District shall certify to the adoption of this ordinance and cause it to be posted in three public places within the city.

4.1 EFFECTIVE DATE:

This ordinance shall take effect thirty days after the date of its adoption.

APPROVED AND ADOPTED this ____ day of _____, 2010.

Mayor of the City of Moreno Valley, acting in
the capacity as the President of the Moreno
Valley Community Services District

ATTEST:

City Clerk of the City of Moreno Valley
acting in the capacity as Secretary of
the Moreno Valley Community Services
District

APPROVED AS TO FORM:

City Attorney, acting in the capacity as
General Counsel of the Moreno Valley
Community Services District

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**MINUTES - SPECIAL MEETING OF JULY 6, 2010 (Report of:
City Clerk's Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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**MINUTES - REGULAR MEETING OF JULY 13, 2010 (Report
of: City Clerk's Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.3

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**MINUTES - REGULAR MEETING OF JULY 13, 2010 (Report
of: City Clerk's Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.3

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CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES

- a. Mayor Pro Tem Robin N. Hastings report
on Western Riverside Council of
Governments (WRCOG)**

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Southern California Edison 2010 State of the Utility

Ray Hicks
SCE Local Public Affairs
Eastern Region

August 24, 2010



SCE at a Glance

- Southern California Edison (SCE) is one of the nation's largest electric utilities
- SCE provides electricity to nearly 14 million people living and working within its 50,000 square-mile service area of Southern California
- SCE's service territory includes more than 180 cities in ten counties, excluding Los Angeles, Pasadena, Glendale, Anaheim, Vernon and a few other Southern California cities and electric cooperatives



Southern California Edison...more than a century of service

Based in Rosemead, today's Southern California Edison is the product of more than 120 years of providing safe, reliable electric service to central, coastal and Southern California.



-609-

Item No. G.2

SCE is planning for the future to help meet the region’s growing energy demands

Advanced Technologies

- SCE is a leading player in the development of advanced technologies including electric transportation and energy storage

Environmental

- SCE is committed to new technologies that will make electric power more environmentally friendly and energy-efficient

Smart Homes

- SCE is working to support the development of “smart homes” that will empower customers to use energy in increasingly efficient ways

Generation

- SCE is committed to advancing generation technologies that create power in an environmentally friendly manner

SCE is Building a Smarter, More Efficient Electric Grid

SCE is making significant financial investments to enhance its power grid in order to improve service reliability and reduce our dependency on foreign oil



Grid improvements include:

- Installing new poles and wires
- Constructing new substations
- Installing more than five million new technologically advanced meters

What will SCE's Smart Grid do?

Adding more sophisticated intelligence and control to SCE's grid will allow for:

- Higher capacity for power transmission
- Integration of more renewable generation
- Safer, more efficient and effective maintenance practices
- Faster restoration of unavoidable power outages
- More customer choice and energy determination



A smarter grid will:

- Prevent catastrophic system failures
- Minimize customer power disruptions due to distribution system failures
- Improve workforce safety and asset efficiency

Helping Customers to Use Energy More Efficiently and Reduce Costs

Engaging Customers in the Supply Chain



SCE is Leads the Nation in Purchasing Environmentally Friendly, Clean Energy from Renewable Generation Sources



SCE has the largest portfolio of renewable generation in the nation

Empowering Customers to Save Energy and Save Money via SCE's Special Programs and Services

- **CARE** (California Alternate Rates for Energy) is a customer energy program created by the California Public Utilities Commission to help provide financial relief to SCE residential customers with limited income.
 - CARE program reduces rates for income-qualified customer rates an average of 20%
- **FERA** (Family Electric Rate Assistance) program can help those SCE customers who don't qualify for CARE
- Available energy-efficiency rebates for pool equipment, heating and air conditioning, lighting and appliances
- Local government energy partnerships



-615-

Item No. G.2

SCE's Leadership in Purchasing Solar Energy

Cumulative Rankings – Top Ten



Total Solar Megawatts 

Cumulative

- #1 Southern California Edison – CA (441.4)
- #2 Pacific Gas & Electric Co. – CA (229.5)
- #3 NV Energy – NV (77.9)
- #4 San Diego Gas & Electric Co. – CA (49.3)
- #5 Public Serv. Co. of CO (Xcel Energy) – CO (28.5)
- #6 LA Department of Water & Power – CA (13.6)
- #7 Public Service Electric & Gas Co. – NJ (13.2)
- #8 Arizona Public Service Co. – AZ (10.6)
- #9 Sacramento Municipal Utility District – CA (10.2)
- #10 Long Island Power Authority – NY (7.7)

Total Solar Watts per Customer 

Cumulative

- #1 San Francisco PUC – CA (4739.3)
- #2 Port of Oakland – CA (3414.7)
- #3 Southern California Edison – CA (91.7)
- #4 Kauai Island Utility Coop. – HI (70.6)
- #5 Palo Alto Utilities – CA (70.4)
- #6 NV Energy – NV (68.6)
- #7 Pacific Gas & Electric Co. – CA (44.3)
- #8 Maui Electric Co. – HI (43.8)
- #9 Hawaii Electric Light Co. – HI (41.0)
- #10 San Diego Gas & Electric Co. – CA (36.3)

Edison SmartConnect™ Advanced “Smart Meters”

- SCE is rolling out its Edison SmartConnect program across its 50,000 square-mile service territory.

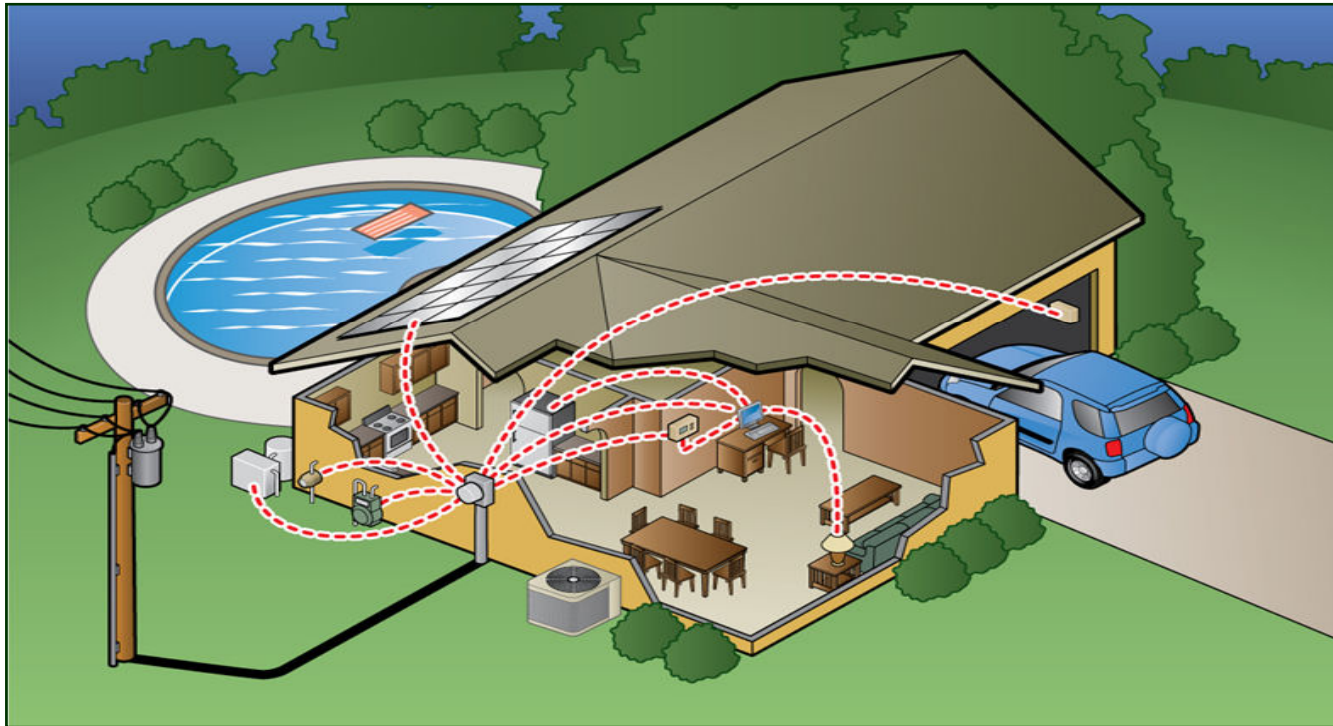


- By 2012, the utility will have installed 5 million smart meters to help customers save energy and money.
- These new digital, secure, two-way communicating meters will measure electricity usage up-to-the minute and enable customers to track how much they use, and how much it costs them.



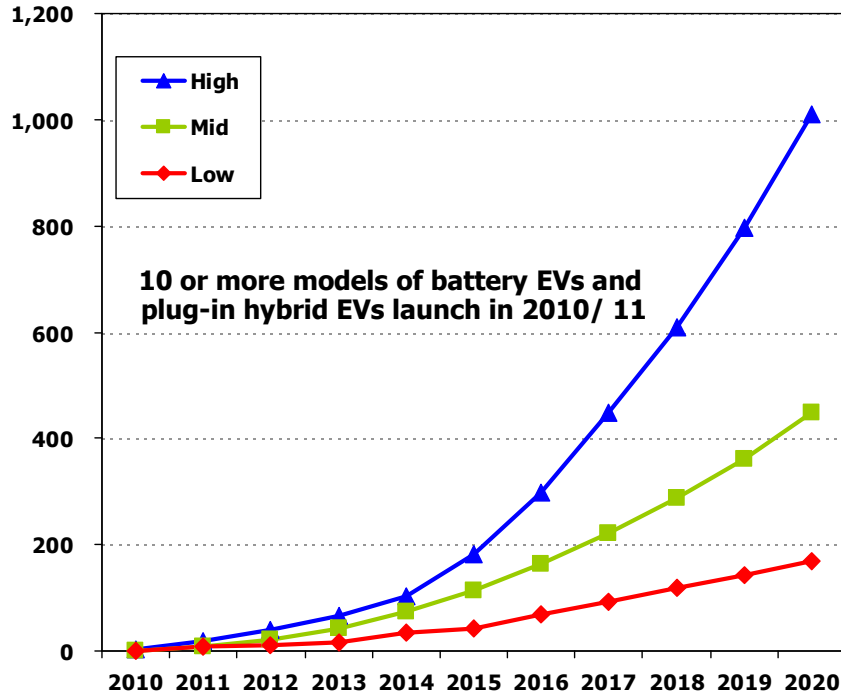
Edison SmartConnect™ Customer Benefits

Edison SmartConnect™ will empower customers to more effectively manage their electricity, helping them save energy, money, and the environment.



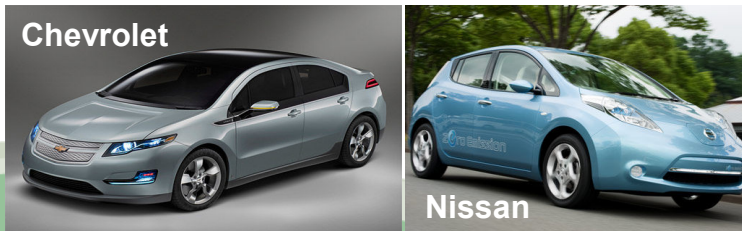
Plug-in Electric Vehicles (PEV)

Cumulative Vehicles in SCE Service Area
(in thousands)



Readiness / Collaboration

- SCE has been an industry leader with PEVs since 1988 and is now preparing for their launch in 2011
- SCE and many utilities nationwide are working with automakers, cities and other stakeholders to help:
 - Streamline the 240 V home charging installation process
 - Develop public charging infrastructure plans
 - Collaborate on education and outreach
 - Seek vehicle and infrastructure incentives



SCE Supporting the Community of Moreno Valley

Community Involvement

- SCE company has a long-standing tradition of helping those in need through its corporate giving efforts, including providing grants to educational, environmental and other nonprofit organizations. We partnered with the city during your birthday festivities.



- SCE has employee giving initiatives that encourages employees to get involved in the communities in which they live and work. Employees reported **1,753 volunteer hours in the city of Moreno Valley in 2009.**

SCE: Your Trusted Energy Partner

Emergencies: [Power outages and downed power lines]

– 1-800-611-1911

General Information:

– 1-800-655-4555

Ray Hicks (951) 928-8238

Public Affairs Region Manager

Gerald Wilson (909) 421-6451

Energy Efficiency Account Manager

Southern California Edison

– www.sce.com

CA Energy Commission

– www.energy.ca.gov

**CA Public Utilities
Commission**

– www.cpuc.ca.gov/

**CA Independent
System Operator**

– www.CAISO.Com



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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Rut</i>
CITY MANAGER	<i>WCB</i>

Report to City Council

TO: Mayor and City Council

FROM: Michelle Dawson, Acting Assistant City Manager

AGENDA DATE: August 24, 2010

TITLE: Military Appreciation Banner Program

RECOMMENDED ACTION

Staff recommends that the City Council:

Approve the Military Banner Appreciation Program, adopt Resolution 2010-78 (Attachment A) amending Resolution 2010-23 to establish a fee for the Military Banner Appreciation Program and appropriate \$2,100 to 00359.359.22410.17 to fund the purchase of special military banners for those Moreno Valley residents that have been killed in action while serving our Nation.

BACKGROUND

Moreno Valley resident PFC Marcus Tynes was killed on November 22, 2009 while serving our country in Afghanistan. PFC Tynes' family contacted the City Council in November 2009 with a request that the City consider implementing a banner program recognizing Moreno Valley servicemen and women.

At a City Council Study Session on February 16, 2010, the City Manager's Office presented information on several military banner programs that exist in other local jurisdictions that pay tribute to their residents serving in the military. Council provided direction to the City Manager's Office to establish a Military Banner Program Committee in order to develop a Military Banner Program to honor the City's active duty military service personnel.

DISCUSSION

The Military Banner Program Committee consists of Mayor Bonnie Flickinger, Mayor Pro Tem Robin Hastings, Major Don Traud, resident Bruce Atlas, Moreno Valley

Chamber President/CEO Oscar Valdepena, Chamber Military Affairs Committee Co-Chairs Laura Froehlich and Wendy McCool, and City staff. The Committee met on April 22nd to discuss the development of a Military Banner Program. The Committee discussed eligibility criteria for inclusion in the Military Banner Program, banner design and location, cost of the banners, program implementation, and administration of the program.

From the information gathered at the April 22nd meeting, City Staff developed a Military Appreciation Banner Program Policy (Attachment B). The City's Graphics section designed banners for both active duty military service personnel (Attachment C) and for those killed in action (Attachment D). Additionally, an application for a military banner for active duty military servicemen and women (Attachment E) and a Certificate of Appreciation (Attachment F) were developed. Finally, the existing Veterans Memorial Application Form was modified to include information for a special military banner to honor those Moreno Valley residents that have been killed in action while serving our country (Attachment G). The Military Banner Program Committee met on August 5th and approved Attachments B – G. A summary of the pertinent details of the policy are listed below.

Eligibility: The designated honoree must meet one of the following criteria:

- An active duty member of the United States Military and a City resident
- An active duty member of the United States Military who graduated from a high school located in Moreno Valley
- An active duty member of the United States Military who is an immediate family member of a current City resident
- An active duty member of the United States Military whose home of record states the City of Moreno Valley.

Special Provision: Moreno Valley residents who were killed in action while serving in the military will have a special banner produced and displayed by the City. These special banners will have a similar but distinct appearance that will designate them as killed in action honorees.

Cost: The cost of a military banner for active duty military service personnel will be paid for by the applicant as established in the attached Fee Resolution. The cost for the military banner will not exceed the actual cost to produce a personalized banner. The Moreno Valley Chamber of Commerce Military Affairs Committee has offered to help offset the cost of the hardware for active duty military personnel, and therefore, only the cost of the banner is listed in the Fee Resolution at \$100.00.

The cost of the banner for a military serviceperson who has been killed in action will be borne by the City, which is reflective of an established City Council policy. This policy was first established with the engraving of names on the City's Veterans Memorial to honor those Moreno Valley residents who were killed in action. The estimated cost for the initial installation of ten banners to honor the military servicemen and women killed

in action whose names are currently engraved on the Memorial, is approximately \$2,100.

Locations: The display of the banners for active duty military servicemen and women will begin on Veterans Way at Alessandro Blvd and proceed south to Cactus Avenue. Banners will then be displayed on Cactus Avenue beginning at the entrance to March Air Reserve Base and proceed east on Cactus. As the program expands, other streets for banner installation may include Frederick north of Cactus, Graham/Riverside Drive, Heacock, or John F. Kennedy. Banner installation will be done by the City's Traffic Signal Maintenance staff who will be responsible for the twice-yearly installation.

The proposed location for the special military banners honoring the lives of those military servicemen and women killed in action is on the street light poles that illuminate the driveway of Avenida Romelio Ruiz, which is the east entrance driveway for the Veterans Memorial, as well as on the street light poles at the Veterans Memorial, the south driveway exit from the Memorial, and Calle San Juan de Los Lagos.

Implementation and Administration: It is anticipated that the initial installation for the military banners will occur in October/November 2010 prior to Veterans Day and will only be for those military servicepersons killed in action. Following the initial installation, banners will be installed twice each calendar year for both active duty military service personnel and for those killed in action if applicable. Banner installations will take place in April/May in advance of Memorial Day and in October/November prior to Veterans Day as long as the Military Appreciation Banner Program remains active. Administration of the program will be conducted by the City's Parks and Community Services Department in conjunction with the current Veterans memorial Paver Program.

The attached Military Appreciation Banner Policy will ensure that the program's goals are maintained. As this is a new program, staff requests the authority to make administrative changes to the policy after implementation in order to effectively and efficiently manage the program.

ALTERNATIVES

1. Approve the Military Banner Appreciation Program, adopt Resolution 2010-78 (Attachment A) amending Resolution 2010-23 to establish a fee for the Military Banner Appreciation Program and appropriate \$2,100 to 00359.359.22410.17 to fund the purchase of special military banners for those Moreno Valley residents that have been killed in action while serving our Nation. ***Staff recommends this alternative. The approval of this program will demonstrate the City's dedication to honoring our Military servicemen and women and will promote a sense of community pride.***

2. Do not approve the Military Banner Appreciation Program, do not adopt Resolution 2010-78 (Attachment A) amending Resolution 2010-23 to establish a fee for the Military Banner Appreciation Program and do not appropriate \$2,100 to 00359.359.22410.17 to fund the purchase of special military banners for those Moreno Valley residents that

have been killed in action while serving our Nation. ***Staff does not recommend this alternative.*** *The City would continue recognizing military veterans through the existing Veterans Memorial and Paver Programs.*

FISCAL IMPACT

The military banners that will be displayed for active duty military servicemen and women will be funded by the applicant per the established fee schedule. This cost will not exceed the actual cost to produce a personalized banner as well as the cost of the hardware. The Moreno Valley Chamber of Commerce Military Affairs Committee has offered to help offset the cost of the hardware for active duty military personnel, and therefore, only the cost of the banner is listed in the Fee Resolution at \$100.00

The special military banners that will be displayed in remembrance of those Moreno Valley military servicemen and women who gave their lives for our country will be paid for by the City. The expected cost for the initial installment of military banners honoring those military service personnel killed in action is estimated at \$2,100. Funding for the purchase of these banners will come from the City Manager's budget, fund 99110. Staff is requesting an appropriation in the amount of \$2,100 be transferred from fund 99110 to 00359.359.22410.17.

CITY COUNCIL GOALS

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley's future.

COMMUNITY IMAGE, NEIGHBORHOOD PRIDE AND CLEANLINESS:

Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

SUMMARY

A Military Banner Program will allow the City to recognize and celebrate Moreno Valley residents, or their immediate family members, who are currently serving in the United States Military. A special military banner will be displayed in remembrance of Moreno Valley residents that were killed in action while serving our Nation.

ATTACHMENTS

Attachment A:	Proposed Resolution
Exhibit "A":	Proposed Schedule of Fees
Attachment B:	Military Appreciation Banner Program Policy
Attachment C:	Active Duty Military Banner
Attachment D:	Killed in Action Military Banner

- Attachment E: Application Form for a Military Banner for Active Duty Military Service Personnel
- Attachment F: Certificate of Appreciation
- Attachment G: Application Form for Veterans Memorial and a Military Banner for Military Service Personnel Killed in Action

Prepared By:
 Cynthia Owens
 Acting Assistant to the City Manager

Department Head Approval:
 Michelle Dawson
 Acting Assistant City Manager

Concurred By:
 Michael McCarty
 Parks & Community Services Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2010-78

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING RESOLUTION 2010-23 TO ESTABLISH FEES FOR THE MILITARY APPRECIATION BANNER PROGRAM IN ORDER TO RECOVER THE COSTS ASSOCIATED WITH THE IMPLEMENTATION OF THE MILITARY BANNER PROGRAM

WHEREAS, the City Council has approved the Military Appreciation Banner Program; and

WHEREAS, the City Council has established the Veterans Memorial Paver Program at the Veterans Memorial; and

WHEREAS, the cost of rendering these programs should be borne by the beneficiaries of said programs; and

WHEREAS, data supporting the estimated cost for providing said program has been made available to the City Council and to the public; and

WHEREAS, at said hearing, the City Council duly considered all public comments which were made with respect to said question;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. Section 7 – Parks and Community Services of Exhibit A of Resolution 2010-23 is hereby amended to add new fees as follows:

<u>Military Banner Program</u>	<u>Fee</u>
Military Banner for Active Duty Military Service Personnel	\$100.00
<u>Veterans Memorial Paver Program</u>	
Veterans Memorial Paver	\$200.00

2. All fees established by this Resolution shall, when collected, be paid to the City Treasurer for deposit into the General fund of the City or into such special funds as may be otherwise required by law.
3. If any provision, clause, sentence or paragraph of this Resolution or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect any other provision or application of the provisions of this Resolution which can be given effect without the invalid provision or

application, and to this end the provisions of this Resolution are hereby declared to be severable.

4. Each fee or charge set forth by this Resolution is for the specific process or service to which the fee or charge is related. When a process or service in addition thereto is requested or required, the appropriate additional fee or charge shall be imposed and collected only upon approval of the City Council.
5. The fees approved and established herein shall become effective on Wednesday, August 25, 2010.

APPROVED AND ADOPTED this _____ day of _____, 2010.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

RESOLUTION JURAT

[Clerk's office will prepare]

[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]

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Section 7 - Parks and Community Services

Parks

Plan Check Fees (1 - 3 submittals)

	<u>Unit</u>	<u>Fee</u>
Project Cost:		
\$0-\$20,000		3.50%
\$20,001-\$100,000		3.25%
> \$100,000		3.00%

4th and subsequent submittals

\$ 140.00

Revisions

Minor (detail changes only)
Major

\$ 256.00
Same as initial submittal

Inspection and Testing

Project Cost:		
\$0-\$20,000		7.00%
\$20,001-\$100,000		6.00%
> \$100,000		5.00%

Research of Records, Files, etc

Actual City Cost

Military Banner Program

Military Banner for Active Duty Military
Service Personnel

\$100.00

Military Banner for Military Service
Personnel Killed in Action

Waived

Section 7 - Parks and Community Services

Parks

Veterans Memorial Paver Program
Veterans Memorial Paver

Unit	Fee
	\$200.00

Section 7 - Parks and Community Services

Parks

Veterans Memorial - Engraving for
Military Service Personnel Killed in Action

Waived

	<u>Unit</u>	<u>Fee</u>
--	-------------	------------

Penalty Fees

Inspection and Testing Work in the right-of-way or park without encroachment permit or written agreement with Parks and Community Services	per Offense	\$ 561.00 plus actual damages
Applicant's failure to schedule inspection prior to performing work	per Offense	\$ 112.00
Applicant's failure to attend or be prepared for a scheduled inspection	per Offense	\$ 112.00

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Military Appreciation Banner Policy

PURPOSE: To recognize and celebrate Moreno Valley residents or their immediate family members who are currently serving in the United States Military (Army, Navy, Air Force, Marines, and Coast Guard) or have been killed in action.

DEFINITIONS:

“Active Duty” for the purposes of this program is defined as six (6) months of continuous service in the United States Military, including the National Guard and Reserve for each military service division.

“Immediate Family” for the purpose of this policy shall be defined as mother, father, son, daughter, wife, husband, brother, sister, or grandchild.

“Military service division” shall be defined as Army, Navy, Air Force, Marines and Coast Guard, including the respective National Guard and Reserve for each division.

I. Introduction

The City of Moreno Valley (“City”) permits the display of banners at specified locations, on City-owned property, within City rights of way, and/or within other public rights of way subject to the City’s control pursuant to established policies. The display of military banners is permitted solely in conformance with this policy. In establishing this policy, the City does not intend in any manner to create a public forum or other means by which non-commercial, social, religious or political messages may be conveyed, or by which public discourse, exchange of opinions or discussion on issues of any nature may occur. Rather, the limited purpose of the Military Appreciation Banner Program is to recognize and honor the contribution of Moreno Valley’s active duty military personnel by permitting the uniform display of banners containing the serviceperson’s photo, name and military service division.

II. Military Banner Policy

Consistent with the intent of the City, as expressed above, the City permits the display of the military banners solely in accordance with the following policy:

A. Banner Printing – Military Serviceperson’s Name and Division

The name (first and last and suffix, if any) and military service division will be printed on the banner. A military serviceperson’s name cannot appear on more than one banner.

B. Eligibility Criteria

The designated honoree must be:

1. an active duty member of the military and a City resident; or
2. an active duty member of the military whose home of record states the City of Moreno Valley; or
3. an active duty member of the military who graduated from a high school that is located within the City; or
4. an immediate family member of a current City resident.

C. Determination of Eligibility

Approved by: City Council
00/00/00

Military Appreciation Banner Policy

The application must include a copy of a driver's license or other picture identification, satisfactory to the City, which shows the address of the military service person, or his or her immediate family member's address as being in the City. If the applicant is applying on behalf of a military serviceperson as a graduate from a high school located within the City a copy of the high school diploma and/or a certified copy of the school transcript shall be submitted. The application must also include satisfactory documentation (e.g., military identification) establishing the name, military services division, and active duty status of the person whose name is to appear on the banner.

Parks and Community Services staff will convene a Review Committee twice each year to review all applications for compliance with the eligibility criteria. The final determination of eligibility is at the discretion of the committee.

D. Installation

The installation of the military banners shall occur twice each calendar year (April/May and October/November in advance of Memorial Day and Veterans Day respectively) so long as the military banner program remains active.

E. Display Term

A banner will be displayed continuously once it has been installed and will be removed when:

1. the banner becomes damaged due to wind, age, or other reasons as solely determined by the City; or
2. the military service person no longer meets the eligibility criteria; or
3. the applicant for the banner fails to submit the required annual verification paperwork verifying that the military service person continues to meet the Eligibility Criteria; or
4. the Military Appreciation Banner Program is discontinued for any reason at the discretion of the City Council.

Once the military banner is removed from its location, the banner applicant will be notified that the banner can be obtained from the Parks and Community Services Department.

F. Application Process

Anyone requesting a military banner shall submit a complete banner application to the City's Parks and Community Services Department on the form provided by the City, together with the then current application fee made payable to the City. The required fee has been calculated to offset a portion of, but not exceeding, the costs of the personalized banner. All banner locations are assigned by the City. The number of banners as well as the specific locations of the banners shall be determined solely by the City, and may be revised without prior notice. The requestor of the banner cannot select a specific location.

Each applicant must provide information on the application form sufficient to investigate and verify the facts stated and to determine whether the applicant satisfies the requirements of the policy. The City's Parks and Community Services Department will administer the Military Appreciation Banner Program and the Department Director (or his/her designee) shall approve the applications. Each completed application shall be approved or denied within ten (10) business days of receipt. The City shall approve a banner application upon completion of the review, provided: (1) the military serviceperson meets all of the criteria set forth in this policy, (2) the applicant has provided all required information and (3) the applicant has been completely truthful.

Approved by: City Council
00/00/00

Military Appreciation Banner Policy

When an application is approved, the military serviceperson’s name and military services division will be printed on both sides of the banner. The banner will be ordered by the City, however, it will be paid for by the applicant. The completed application must include either a five (5) inch by seven (7) inch photograph of the military serviceperson in their dress uniform or provide a digital image of not less than 300 d.p.i. If the City determines the digital image is not of sufficient quality for printing the banner then the applicant will be given the option of submitting either a (5) inch by seven (7) inch photograph or having the logo/seal of the military services division placed on the banner. Should an applicant desire to not have a photograph on the banner, the appropriate military services division logo/seal will be used.

G. Annual Eligibility Determination

On an annual basis, the City will require that all applicants for military banners for active duty military personnel provide written verification that the active duty military serviceperson still meets the Eligibility Criteria. The person who applied for the military banner will be contacted at their last known address listed on their application form. It shall be the responsibility of each applicant for a military banner to promptly update his or her information on file with the City’s Parks and Community Service Department as needed. The City shall not be responsible in the event the City does not receive any updated information that is not personally delivered to the City’s Parks and Community Services Department. All banners for military servicepersons no longer meeting the Eligibility Criteria shall be removed and the location reassigned. Any banner that is removed, whether from lack of eligibility or from being weathered, shall be provided to the applicant.

H. Replacement of Banner

In the event a banner must be replaced for any reason (e.g. weathered, vandalism, stolen, wind event), and so long as the Eligibility Criteria remains satisfied as established by documentation provided by the applicant, then upon payment of the City’s banner fee a new banner will be ordered. The banner will be installed in accordance with the City’s installation policy set forth in Section D.

III. General Provisions

The City shall not be responsible for damage to or thefts of banners. Furthermore, by applying for and receiving approval for a military banner to be displayed, the applicant agrees to indemnify and hold the City of Moreno Valley, the Moreno Valley Redevelopment Agency, the Moreno Valley Community Services District, and each of the City’s and Agency’s elected officials, officers, employees, agents, and volunteers free and harmless with respect to any and all liabilities, claims, lawsuits and/or damages of any nature whatsoever that allegedly arise from or are connected to the approval of the applicants banner application, including the display of, and/or damage to or loss of any banner or banners.

The City reserves the right to revise this policy, discontinue the Military Appreciation Banner Program, and/or revise applicable fees without prior notice. If the program is discontinued, each banner will be returned to the applicant thereof or to the military serviceperson named on the banner.

IV. Special Provisions

It is the intent of the City Council to provide banners honoring those Moreno Valley residents who were killed in action while serving in the military. Banners similar to the military banners for active duty personnel will be produced and displayed by the City and hereinafter will be included as part of the killed

Approved by: City Council
00/00/00

Military Appreciation Banner Policy

in action application process for the Veterans Memorial administered by the City. These special banners will have a similar but distinct appearance designating them as killed in action honorees. The cost of the banners will be borne by the City and the banners will be replaced by the City when damaged. Banners honoring the killed in action soldiers already included on the City's Veterans Memorial will be installed with the initial implementation of the banner program.

Approved by: City Council
00/00/00

ATTACHMENT B

Moreno Valley Honors

John Smith

Army



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Moreno Valley Remembers

John Smith

Army



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CITY OF MORENO VALLEY

**APPLICATION FOR MILITARY APPRECIATION BANNER PROGRAM
ACTIVE DUTY MILITARY PERSONNEL**

The City of Moreno Valley wishes to honor Moreno Valley servicemen and women by celebrating their service with the Military Appreciation Banner Program. The City is accepting nominations from the community for active duty military service personnel who are residents of Moreno Valley, who have immediate family residing in Moreno Valley, or graduated from a Moreno Valley high school. If you know of someone that you feel would be worthy of this honor, please complete the attached nomination form, provide any required documentation and your payment (check or money order made payable to the City of Moreno Valley in the amount of \$100.00), and forward to Moreno Valley Parks and Community Services Department at 14075 Frederick Street, Post Office Box 88005, Moreno Valley, CA 92552-0805.

Once nominations are received, the information will be submitted to the Review Committee for final approval.

For additional information, please contact Moreno Valley Parks and Community Services at (951) 413-3701.

**MILITARY BANNER REQUEST FOR RECOGNITION –
ACTIVE DUTY MILITARY SERVICE PERSONNEL**

PURPOSE: To recognize and celebrate Moreno Valley residents or their immediate family members who are currently serving in the United States Military (Army, Navy, Air Force, Marines, and Coast Guard)

POLICY:

I. Procedure for Submitting Names to Request a Military Banner to be Displayed

A. Nomination form including full name, rank and branch of service; proof of active duty Military status; proof of residency for the Military serviceperson or immediate family member; proof of graduation from a high school located in Moreno Valley if applicable; a 5" x 7" photograph or digital image of not less than 300 d.p.i. of the serviceperson in dress uniform; and payment (check or money order) should be submitted to the City of Moreno Valley Parks and Community Services Department for consideration to have a Military Banner displayed.

A. Once nominations are received, the information will be reviewed and approved by the City.

B. Banners will be installed twice a year; in April/May prior to Memorial Day and in October/November prior to Veterans Day. Once the banner is in place, the applicant will be mailed a certificate honoring the Military service person.

C. Only the Name, Branch of Service, and photo or seal of the appropriate Branch of Service will appear on the Military Banner.

D. Only one banner per Military serviceperson is allowed.

II. Nominee Qualifications:

In order to be nominated for a Military Banner the Nominee must meet the following qualifications:

A. Nominee must be currently serving in the United States Military.

B. The active duty Military serviceperson, or their immediate family member, must be a resident of Moreno Valley or the Military serviceperson must have graduated from a Moreno Valley high school.

C. Active duty status will need to be verified annually in order for the Military Banner to continue to be displayed.

NOMINATION FORM FOR MILITARY BANNER ACTIVE DUTY MILITARY SERVICE PERSONNEL

Please Print

NOMINEE INFORMATION	
Full Name of Person Being Nominated:	
Branch of Service:	
Rank:	
Graduate from a Moreno Valley High School	(circle one) Yes No
<i>Please attach a birth certificate, Home of Record or proof of residency for the nominee or proof of residence for the immediate family member; proof of current active duty Military status; proof of graduation for the nominee from a Moreno Valley high school if applicable; and a 5" x 7" photograph or a digital image of not less than 300 d.p.i.</i>	
YOUR INFORMATION	
Your Name:	
Relationship to Nominee:	
Address:	
City, State, Zip	
Telephone Number:	
E-Mail Address:	

Mail the completed nomination form, any required documentation and payment (check or money order made payable to the City of Moreno Valley in the amount of \$100.00) to Moreno Valley Parks and Community Services Department, Post Office 88005, Moreno Valley, CA 92552-0805 or deliver to the City of Moreno Valley Parks and Community Services Department at 14075 Frederick Street.

Office Use Only	
Date Application Received:	
Proof of Military Service:	
Payment (check or money order):	
Date Approved by Review Committee:	
Recommended Date for Installation:	
Reviewed by:	

All requested documentation will be kept confidential and will be for City use only.

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CITY OF MORENO VALLEY

Certificate of Appreciation presented to:

Mrs. Smith

November 11, 2010

*On Veterans Day 2010 a banner was installed on your behalf at
_____ and _____ honoring your
loved one's service to our Nation.*

BONNIE FLICKINGER, MAYOR

Military Appreciation Banner Program

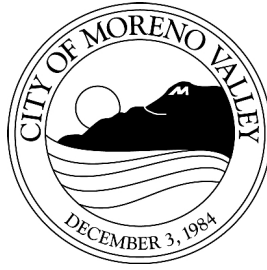
ATTACHMENT F

-649-

Item No. G.3



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CITY OF MORENO VALLEY

**APPLICATION FOR THE NOMINATION OF KILLED IN ACTION
MILITARY PERSONNEL: VETERANS MEMORIAL AND
MILITARY BANNER APPRECIATION PROGRAM**

The City of Moreno Valley is dedicated to honoring our Military servicemen and women who were killed in action while serving our Country. The memories of our Moreno Valley residents who have made this ultimate sacrifice are honored by having their names permanently engraved on the Veterans Memorial located at the Moreno Valley Civic Center. Additionally, a special Military Banner will be displayed in remembrance of these veterans. To nominate a Moreno Valley resident killed in action, please complete the attached nomination form, provide any required documentation and forward to Moreno Valley Parks and Community Services Department at 14075 Frederick Street, Post Office Box 88005, Moreno Valley, CA 92552-0805.

Once nominations are received, the information will be submitted to the Review Committee for final approval.

For additional information, please contact Moreno Valley Parks and Community Services Department at (951) 413-3701.

**VETERANS MEMORIAL AND MILITARY BANNER REQUEST
FOR RECOGNITION - KILLED IN ACTION**

PURPOSE: To solicit from the community nominations for recognition at the Veterans Memorial, located at the Moreno Valley Civic Center, as well as to have a special Military Banner displayed for servicemen and women killed in action (KIA).

POLICY:

I. Procedure for Submitting Names for Inclusion on the Veterans Memorial (Killed in Action) and the Display of a Military Banner:

- A. Nomination form including full name; rank; branch of service; Report of Incident (provided by the military); a birth certificate, Home of Record or proof of residency; and a 5" x 7" photo or digital image of not less than 300 d.p.i. of the serviceperson in dress uniform must be submitted to the City of Moreno Valley Parks and Community Services Department for consideration to be listed on the monument and to have a Military Banner displayed. *There is no charge to list KIAs on the Veterans Memorial and to have a banner displayed.*
- B. Once nominations are received, the information will be reviewed and approved by the City.
- C. Names will be added to the Veterans Memorial twice a year; just prior to Memorial Day and Veterans Day.
- D. Banners will be installed for display twice a year; in April/May prior to Memorial Day and in October/November prior to Veterans Day
- E. Only the Nominee Name, Rank and Branch of Service will appear on the Monument.
- F. Only the Name, Branch of Service, and photo or seal of the appropriate Branch of Service will appear on the Military Banner.

II. Nominee Qualifications:

In order for a deceased veteran to be nominated for inclusion on the Veterans Memorial and to have a special Military Banner displayed, the Nominee must meet the following criteria:

- A. Killed in Action as determined by the military. A certified Report of Incident, which is issued for all KIA by the military, must be submitted.
- B. Died during a period of action/invasion/conflict. This includes the following, but is not limited to: World War I, World War II, Korea, Vietnam, Desert Storm, Enduring Freedom, Desert Shield, Somalia, Granada, Operation Just Cause, and Operation Iraqi Freedom. Friendly Fire is recognized as KIA (i.e., accidents such as helicopter or motor vehicle accident).
- C. A certified Home of Record, birth certificate or proof of residence must list Moreno Valley, California. This includes the communities of Sunnymead, Edgemont, and Moreno prior to incorporation. Exception may be made if Nominee was born on March Air Force Base and attended Moreno Valley schools.

Nominee would be recognized on *pavers*, not the memorial, if one of the following applies:

- Nominee died while in the States and not during transportation to/from action, unless declared KIA by the military.
- Nominee died after conflict concluded.
- Nominee died from injuries sustained in conflict but died after returning to the States, unless declared KIA by military.

NOMINATION FORM FOR VETERANS MEMORIAL AND MILITARY BANNER

Please Print

KILLED IN ACTION NOMINEE INFORMATION	
Full Name of Person Being Nominated:	
Branch of Service:	
Rank:	
<i>Please attach a certified Report of Incident provided by the military, a birth certificate, Home of Record or proof of residency, and a 5" x 7" photo or a digital image of not less than 300 d.p.i.,</i>	
YOUR INFORMATION	
Your Name:	
Relationship to Nominee:	
Address:	
City, State, Zip	
Telephone Number:	
E-Mail Address:	

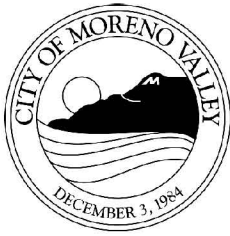
Please provide any additional information that you would like for the Committee to consider.

Mail the completed nomination form, any required documentation to Moreno Valley Parks and Community Services Department, Post Office 88005, Moreno Valley, CA 92552-0805 or deliver to the City of Moreno Valley Parks and Community Services Department at 14075 Frederick Street.

Office Use Only	
Date Application Received:	
Report of Incident Provided:	
Home of Record/Birth Certificate/Proof of Residency Provided:	
Date Approved by Review Committee:	
Anticipated Date for Installation:	
Reviewed by:	

All requested documentation will be kept confidential and will be for City use only.

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RA</i>
CITY MANAGER	<i>WVB</i>

Report to City Council

TO: Mayor and City Council, Acting in their capacities as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

FROM: Chris A. Vogt, P.E., Public Works Director/City Engineer

AGENDA DATE: August 24, 2010

TITLE: PUBLIC MEETING TO CONSIDER PUBLIC COMMENTS REGARDING A MAIL BALLOT PROCEEDING FOR A PROPOSED CHARGE INCREASE FOR THE COMMUNITY SERVICES DISTRICT ZONE B (RESIDENTIAL STREET LIGHTING) PROGRAM

RECOMMENDED ACTION

Staff recommends that the Mayor and City Council, acting in their capacities as President and Members of the Board of Directors of the Moreno Valley CSD ("CSD Board"), conduct a Public Meeting and accept public comments concerning a mail ballot proceeding for a proposed increase in the annual charge for the CSD Zone B (Residential Street Lighting) program.

ADVISORY BOARD/COMMISSION RECOMMENDATION

N/A

BACKGROUND

The CSD was formed simultaneously with the City's incorporation and zones of benefit were established, such as the CSD Zone B (Residential Street Lighting) program, to allocate the program costs to those parcels receiving benefit from the services provided by the CSD. The Zone B parcel charges fund the costs for approximately 8,500 streetlights along City maintained residential streets.

In 1996, California voters passed Proposition 218, the "Right to Vote on Taxes Act", which created state-mandated legislation requiring local government to provide record

owners of property sufficient notice and an opportunity to approve or oppose any new, extended or increased tax, assessment, fee or charge. In accordance with Proposition 218, record owners of properties subject to new, extended or increased property charges, such as those associated with CSD programs, are provided an opportunity to submit a ballot on the proposed service and charge through the process of a mail ballot proceeding.

Over the past few years, electrical utility costs for streetlights have significantly increased and currently exceed the annual CSD Zone B program revenue. To continue to provide the same level of residential street lighting services, a Proposition 218 mail ballot proceeding was conducted in June of 2009. The mail ballot provided property owners participating in the CSD Zone B program an opportunity to either approve or oppose an increase in their annual CSD Zone B charge from \$23 or \$24 per parcel to \$39 per parcel, which included an annual inflation adjustment. Of the 40,092 ballots mailed to property owners, 6,359 ballots (16%) were returned with 4,076 ballots marked as not approving, 2,025 ballots marked as approving, and 258 invalid. Based on the results of the mail ballot proceeding, the proposed increase in the CSD Zone B charge was not approved. To continue to fund the CSD Zone B (Residential Street Lighting) program for fiscal year (FY) 2009/10, all remaining CSD Zone B fund balances were used and a temporary loan was acquired. The loan will require repayment from future CSD Zone B charges.

DISCUSSION

The CSD Zone B (Residential Street Lighting) program funds the cost of residential street lighting services through an annual levy of charges collected on the Riverside County property tax bills on those properties that receive residential street lighting services. Since FY 1996/97 the annual CSD Zone B charge has remained consistent at \$23 per parcel with exception to those properties which, beginning in 1999, balloted and approved an annual inflation adjustment, which adjusted the charge to \$24 per parcel per year in FY 2008/09.

In recent years the California Public Utilities Commission (CPUC) has approved multiple rate increases for electrical utility costs that utility providers may charge for street lighting services. These rate increases have been passed on to the rate payers, which has caused an increase in the cost of street lighting by more than 47% since 2006. A mail ballot proceeding was conducted in June 2009 for an increase in the CSD Zone B charge; however of the more than 40,000 property owners balloted, only 6,359 ballots (16%) responded with the majority not approving the increase in the Zone B charge.

To address the increases in electrical utility costs for residential streetlights in compliance with Proposition 218, a mail ballot proceeding is being conducted for a proposed increase in the CSD Zone B annual charge. Ballot materials (Attachments 1 and 2) were mailed on July 9, 2010, to property owners within the boundaries of CSD Zone B to provide an opportunity to approve or oppose the proposed increase. If approved by a simple majority (50%+1) of the returned valid ballots, properties currently

charged \$23 per parcel or \$24 per parcel would be increased to \$39 per parcel (equivalent to a \$16 or \$15 increase) for FY 2010/11 and may be subject to an annual inflation adjustment. The City would only increase the annual streetlight charge if the costs for streetlights increase and only by the amount necessary to cover the increased costs. If property owners oppose the proposed increase by a simple majority of the returned valid ballots or there is a tie in the results, the existing CSD Zone B charges shall continue to be levied on the property tax bills and street lighting services will be reduced to a level consistent with available funding in accordance with general management policy #2.34, Community Services District Zone B (Residential Street Lighting) Policy and Zone C (Arterial Street Lighting) Policy, as previously approved by the CSD Board.

To provide information concerning the CSD Zone B program costs and mail ballot proceeding, the CSD began conducting public outreach efforts in April 2010. The following provides a summary of some of these activities:

- Article included in the City Link May – August 2010, publication for summer.
- Since April, advertisements have been shown before each feature film at both Harkins and Regency Theaters.
- Multiple Public Service Announcements (slides and videos) have been posted on MVTV 3 and will continue to run through the end of September 2010.
- “Questions & Answers” are posted on the City’s website in English and Spanish.
- Distributed informational door hangers to over 40,000 single family homes the week of July 5, 2010.
- Informational flyers distributed at the City’s Fourth of July event. Additional flyers were posted and made available at City facilities and Chambers of Commerce. Copies were also emailed to Home Owner Associations.
- At the end of July, posted temporary informational signs on 2,500 streetlights within Zone B residential streetlight areas.
- On July 9, the required Notice and Mail Ballots were mailed to over 40,000 property owners.
- Advertisements were published in The Press-Enterprise on July 28, July 30, and August 1 and in La Prensa on July 30, 2010. Additionally, an advertisement was also placed in the The Press-Enterprise’s Weekly publication on August 12, 2010.
- Distributed over 40,000 door hangers to remind property owners to submit their mail ballot responses and to inform them of additional opportunities to receive information concerning the mail ballot process.
- Conducted two Townhall Meetings held the morning of August 17 and the evening of August 18, 2010. An additional meeting is scheduled for the afternoon of September 1, 2010.

Property owners subject to CSD Zone B are also given two opportunities to address the CSD Board. These two opportunities are the August 24, 2010 Public Meeting and the September 14, 2010 Public Hearing. Following the close of the Public Hearing, the City

Clerk (Secretary to the CSD Board) will provide instructions regarding tallying, verifying, and announcing the results of the mail ballot proceeding.

ALTERNATIVES

1. **Accept public comments** regarding the mail ballot proceeding for the proposed increase in the CSD Zone B (Residential Street Lighting) annual parcel charge. *By accepting public comment, the CSD Board complies with Proposition 218 state statutes for providing public comment in a mail ballot proceeding.*
2. **Do not accept public comments** regarding the mail ballot proceeding for the proposed increase in the CSD Zone B (Residential Street Lighting) annual parcel charge. *This alternative would run counter to state statute requirements.*

FISCAL IMPACT

The CSD provides services through various zones, such as Zone B (Residential Street Lighting), which are full-cost recovery programs. The cost to fund streetlight operations exceeds the current CSD Zone B charges. Properties subject to CSD Zone B are being balloted for an increase from either \$23 or \$24 per parcel per year to \$39 per parcel per year, along with an annual inflation adjustment. **The collection of the CSD Zone B annual charge is restricted for residential street lighting services and administration of the CSD Zone B program. There is currently no fiscal impact on the General Fund for the operation of the CSD Zone B program.**

CITY COUNCIL GOALS

Revenue Diversification and Preservation

The CSD Zone B charge funds program costs for residential streetlight services, which aid in the illumination of roadway and sidewalk areas.

SUMMARY

The action before the CSD Board is to accept public comments regarding the proposed increase in the CSD Zone B charge.

NOTIFICATION

Mail ballot packets were mailed on July 9, 2010 to the property owners subject to the CSD Zone B charge. The mail ballot packet included a notice to the property owner, instructions for marking the ballot, official mail ballot, and a postage-paid envelope for returning the ballot. Two sample mail ballot packages are included as Attachments 1 and 2.

Legal notification for the August 24, 2010 Public Meeting and the September 14, 2010 Public Hearing was published in The Press-Enterprise on August 5, 2010. Legal

notification for the Public Hearing will also be published on August 26, 2010 and again on September 2, 2010.

ATTACHMENTS/EXHIBITS

Attachment 1 – CSD Zone B sample mail ballot packet for properties currently paying \$23 per parcel per year.

Attachment 2 - CSD Zone B sample mail ballot packet for properties currently paying \$24 per parcel per year.

Attachment 3 - CSD Zone B boundary map

Prepared By
Sharon Sharp
Senior Management Analyst

Department Head Approval
Chris A. Vogt, P.E.
Public Works Director/City Engineer

Concurred By
Candace Cassel
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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TEL: 951.413.3480
FAX: 951.413.3498
WWW.MORENO-VALLEY.CA.US



14325 FREDERICK STREET, SUITE 9
P. O. BOX 88005
MORENO VALLEY, CA 92552-0805

July 9, 2010

APN «PARCEL»

«MAILING_NAME 1»
«MAILING_NAME 2»
«MAILING_CO»
«MAILING_STREET»
«MAILING_CITY_ST_ZIP»
«Barcode»

NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING REGARDING A PROPOSED INCREASE IN THE MORENO VALLEY COMMUNITY SERVICES DISTRICT ZONE B (RESIDENTIAL STREET LIGHTING) ANNUAL CHARGE

***** OFFICIAL BALLOT ENCLOSED *****

Llame al 951.413.3480 para obtener información verbal o escrito en Español

Introduction

The Moreno Valley Community Services District (CSD) Zone B (Residential Street Lighting) program funds electrical energy, maintenance, and administrative costs to provide residential street lighting. In order to continue providing uninterrupted residential street lighting service without the need to reduce or eliminate existing street lighting service levels, the CSD submits to you the enclosed ballot along with this notification. The ballot shall provide property owners an opportunity to approve or oppose the proposed increase to the annual charge of up to \$1.33 per month beginning in fiscal year (FY) 2010/11. If approved, the FY 2009/10 charge of either \$23 or \$24 per parcel shall be increased to \$39 per parcel per year. The annual charge may incur an annual adjustment in subsequent years based on an approved annual inflation adjustment.

Background

The Moreno Valley CSD was formed when the City incorporated in 1984. The CSD set up benefit zones to allocate the cost of special services to those parcels receiving benefit from designated CSD programs. The Zone B (Residential Street Lighting) program was established as a benefit zone, which provides residential street lighting services. In compliance with Proposition 218, "The Right to Vote on Taxes Act", the CSD is conducting a mail ballot proceeding to provide property owners the opportunity to submit a ballot in support or opposition to the proposed increase.

Services Provided

The Zone B program funds electrical energy, maintenance, and administrative costs to provide residential street lighting to aid in the illumination of roadway and sidewalk areas. The boundaries for Zone B encompass the entire City, exclusive of properties serviced by the Edgemont Community Services District; however, only neighborhoods benefiting from residential street lighting services are levied a charge.

Attachment 1

1 of 4

How is the Amount of the Charge Determined?

The CSD zones are structured to be full cost recovery programs. Residential properties that have streetlights along their roadways are subject to an annual parcel charge to fund the Zone B program. In recent years, the California Public Utilities Commission has approved significant increases in the cost of electrical services to be collected by the City's utility providers, Southern California Edison and Moreno Valley Utility. Due to these increased costs, for FY 2009/10 the Zone B expenditures exceeded revenues by almost \$600,000. Utility bills for FY 2010/11 shall continue to increase and are projected to be \$1.4 million or over 85% of the total Zone B budget. The CSD has determined that the annual expenses for Zone B exceed the annual parcel charge paid by the property owners within the zone.

Current Charges

The Zone B Annual Parcel Charge is \$23 or \$24 per parcel. The total amount levied for the Zone B program for FY 2009/10 was \$929,801. The annual charge is collected on the County of Riverside property tax bills.

Proposed Increase

For parcels charged \$23 for FY 2009/10 the proposed increase is \$16 (equivalent to \$1.33 per month), which will adjust the current annual parcel charge to \$39 per parcel for 2010/11.

For parcels charged \$24 for FY 2009/10 the proposed increase is \$15 (equivalent to \$1.25 per month), which will adjust the current annual parcel charge to \$39 per parcel for 2010/11.

Annual Adjustment

The Zone B charge will be subject to an annual inflation adjustment, based on the greater of the percentage change calculated for the previous calendar year, in the Los Angeles-Riverside-Orange County Regional Electricity Price Index, as published by the Department of Labor's Bureau of Labor Statistics or 5 percent.

Zone B Parcel Charge History

The following table sets forth the history of the annual Zone B charge.

Fiscal Year	Annual Parcel Charge	Fiscal Year	Annual Parcel Charge
1985-86	\$22.00	1998-99	\$23.00
1986-87	\$18.00	1999-00	\$23.00
1987-88	\$21.00	2000-01	\$23.00
1988-89	\$21.00	2001-02	\$23.00
1990-91	\$20.00	2002-03	\$23.00
1991-92	\$20.00	2003-04	\$23.00
1992-93	\$21.50	2004-05	\$23.00
1993-94	\$23.00	2005-06	\$23.00
1994-95	\$24.00	2006-07	\$23.00
1995-96	\$24.00	2007-08	\$23.00
1996-97	\$23.00	2008-09*	\$23.00 / \$24.00
1997-98	\$23.00	2009-10	\$23.00 / \$24.00

* Beginning in FY 2008/09 the parcel charge for tracts that had previously approved an annual inflation adjustment for Zone B services, was increased to \$24 per parcel, per year. All other tracts that have not previously approved an annual inflation adjustment currently pay \$23 per parcel, per year.

Duration of the Charge

If approved, the increase in the Zone B parcel charge shall be levied on the County of Riverside property tax bills beginning with the FY 2010/11 tax bills, and each following year at the property owner approved charge.

Public Hearing

To provide information concerning the proposed mail ballot proceeding for the Zone B (Residential Street Lighting) program the CSD has scheduled three (3) informational meetings as listed below, along with one (1) Public Meeting and one (1) Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<u>Information Meetings</u>	<u>Public Meeting</u>	<u>Public Hearing</u>
Tuesday, August 17, 2010 9:00 A.M.	Tuesday, August 24, 2010 6:30 P.M.	Tuesday, September 14, 2010 6:30 P.M.
Wednesday, August 18, 2010 7:00 P.M.	(Or As Soon Thereafter As The Matter May Be Called)	(Or As Soon Thereafter As The Matter May Be Called)
Wednesday, September 1, 2010 3:00 P.M.		

Tabulation of all returned ballots will commence after the close of the Public Hearing. All ballots received shall be tabulated under the direction of the Secretary to the CSD Board (City Clerk) in compliance with the current Policy For Conducting Mail Ballot Proceedings Policy #1.12. At the close of the public hearing, the Secretary to the CSD Board shall inform the City Council/CSD Board when the official ballot results may be announced.

Effect if Increase is Approved

If a simple majority (50%+1) of the returned valid ballots approve the increase in the annual charge for Zone B, residential street lighting services shall continue at the current level. The total approved charge of \$39 per parcel shall be placed on the 2010/11 Riverside County property tax bill.

Effect if Increase is Not Approved

If there is a tie or if a majority of the returned valid ballots oppose the increase in the annual charge for Zone B, residential street lighting services shall be reduced to a level that can be supported by available Zone B funding, according to the CSD Zone B (Residential Street Lighting) & Zone C (Arterial Street Lighting) Policy #2.34. Reductions in service may include turning off and/or removing residential streetlights.

For More Information

If you have any questions about the proposed increase in the annual Zone B (Residential Street Lighting) parcel charge, or about the mail ballot proceeding process, please contact the City's Special Districts Division, Monday through Thursday from 7:30 a.m. to 5:30 p.m. at 951.413.3480.

Completing Your Ballot

Property owners may submit the enclosed ballot to the CSD in support or opposition to the proposed increase in the Zone B annual charge. Please follow the instructions listed below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballots are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support or opposition to the proposed increase in the Zone B annual charge **by placing a mark in the corresponding box.**
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the Public Hearing to be held on **Tuesday, September 14, 2010,** at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:30 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:



A check mark substantially inside a box;



An X mark substantially inside a box;



A dot or oval mark substantially inside a box;



A completely shaded or filled mark substantially inside a box;



A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;




A circle around the box and/or associated clause; or




A square or rectangle around the box and/or associated clause.


Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

OFFICIAL BALLOT for Assessor Parcel No. «PARCEL» - Zone B (Residential Street Lighting) 

If a simple majority (50%+1) of returned ballots are marked as approving an increase in the Community Services District (CSD) Zone B program charge, the CSD shall levy a charge of \$39 per parcel per year. The charge will be placed on your Riverside County property tax bill beginning fiscal year (FY) 2010/11 and is subject to an annual adjustment based on the greater of the percentage change calculated for the previous calendar year in the Los Angeles-Riverside-Orange County Regional Electricity Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics, or 5%. **This ballot must be received by the Secretary of the Board (City Clerk) of the Moreno Valley CSD prior to the close of the Public Hearing on September 14, 2010**, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California. The Public Hearing will be held at 6:30 p.m. or as soon thereafter as the matter may be called.

Yes, I approve the \$16 increase in the annual parcel charge (equivalent to \$1.33 per month) for CSD Zone B services, which will adjust the FY 2009/10 parcel charge from \$23 to \$39 for FY 2010/11. The parcel charge is subject to an annual adjustment based on the greater of the percentage change calculated for the previous calendar year in the Los Angeles-Riverside-Orange County Regional Electricity Price Index or 5%. 

No, I do not approve the \$16 increase in the annual parcel charge for CSD Zone B services. I understand the FY 2009/10 parcel charge of \$23 shall be increased by the inflation rate, if previously approved, and shall be levied on the 2010/11 Riverside County property tax bill. Residential street lighting services shall be reduced to a level consistent with available funding. 

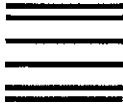
Llame al 951.413.3480 para obtener información verbal en Español

PROPERTY OWNER SIGNATURE

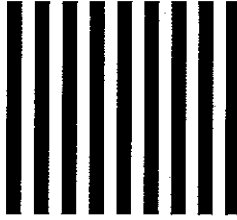
DATE



PUBLIC WORKS DEPARTMENT
SPECIAL DISTRICTS DIVISION
14325 FREDERICK STREET, SUITE 9
P.O. BOX 88005
MORENO VALLEY, CA 92552-0885
WWW.MVVAL.ORG



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO. 6 MORENO VALLEY, CA

POSTAGE WILL BE PAID BY ADDRESSEE

CITY CLERK'S OFFICE
MORENO VALLEY CSD
ZONE B BALLOT - 9/14/2010
P.O. BOX 88005
MORENO VALLEY, CA 92552-9909



FIRST-CLASS MAIL
PRESORTED
US POSTAGE PAID
MORENO VALLEY, CA
PERMIT NO. 153

PUBLIC WORKS DEPARTMENT
SPECIAL DISTRICTS DIVISION
14325 FREDERICK STREET, SUITE 9
P. O. BOX 88005
MORENO VALLEY, CA 92552-0805
WWW.MOVAL.ORG



**OFFICIAL BALLOT ENCLOSED
BOLETA ELECTORAL**

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TEL: 951.413.3480
FAX: 951.413.3498
WWW.MORENO-VALLEY.CA.US



14325 FREDERICK STREET, SUITE 9
P. O. BOX 88005
MORENO VALLEY, CA 92552-0805

July 9, 2010

APN «PARCEL»

«MAILING_NAME 1»
«MAILING_NAME 2»
«MAILING_CO»
«MAILING_STREET»
«MAILING_CITY_ST_ZIP»
«Barcode»

**NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING REGARDING A
PROPOSED INCREASE IN THE MORENO VALLEY COMMUNITY SERVICES DISTRICT
ZONE B (RESIDENTIAL STREET LIGHTING) ANNUAL CHARGE**

******* OFFICIAL BALLOT ENCLOSED *******

Llame al 951.413.3480 para obtener información verbal o escrito en Español

Introduction

The Moreno Valley Community Services District (CSD) Zone B (Residential Street Lighting) program funds electrical energy, maintenance, and administrative costs to provide residential street lighting. In order to continue providing uninterrupted residential street lighting service without the need to reduce or eliminate existing street lighting service levels, the CSD submits to you the enclosed ballot along with this notification. The ballot shall provide property owners an opportunity to approve or oppose the proposed increase to the annual charge of up to \$1.33 per month beginning in fiscal year (FY) 2010/11. If approved, the FY 2009/10 charge of either \$23 or \$24 per parcel shall be increased to \$39 per parcel per year. The annual charge may incur an annual adjustment in subsequent years based on an approved annual inflation adjustment.

Background

The Moreno Valley CSD was formed when the City incorporated in 1984. The CSD set up benefit zones to allocate the cost of special services to those parcels receiving benefit from designated CSD programs. The Zone B (Residential Street Lighting) program was established as a benefit zone, which provides residential street lighting services. In compliance with Proposition 218, "The Right to Vote on Taxes Act", the CSD is conducting a mail ballot proceeding to provide property owners the opportunity to submit a ballot in support or opposition to the proposed increase.

Services Provided

The Zone B program funds electrical energy, maintenance, and administrative costs to provide residential street lighting to aid in the illumination of roadway and sidewalk areas. The boundaries for Zone B encompass the entire City, exclusive of properties serviced by the Edgemont Community Services District; however, only neighborhoods benefiting from residential street lighting services are levied a charge.

Attachment 2

I of 4

How is the Amount of the Charge Determined?

The CSD zones are structured to be full cost recovery programs. Residential properties that have streetlights along their roadways are subject to an annual parcel charge to fund the Zone B program. In recent years, the California Public Utilities Commission has approved significant increases in the cost of electrical services to be collected by the City's utility providers, Southern California Edison and Moreno Valley Utility. Due to these increased costs, for FY 2009/10 the Zone B expenditures exceeded revenues by almost \$600,000. Utility bills for FY 2010/11 shall continue to increase and are projected to be \$1.4 million or over 85% of the total Zone B budget. The CSD has determined that the annual expenses for Zone B exceed the annual parcel charge paid by the property owners within the zone.

Current Charges

The Zone B Annual Parcel Charge is \$23 or \$24 per parcel. The total amount levied for the Zone B program for FY 2009/10 was \$929,801. The annual charge is collected on the County of Riverside property tax bills.

Proposed Increase

For parcels charged \$23 for FY 2009/10 the proposed increase is \$16 (equivalent to \$1.33 per month), which will adjust the current annual parcel charge to \$39 per parcel for 2010/11.

For parcels charged \$24 for FY 2009/10 the proposed increase is \$15 (equivalent to \$1.25 per month), which will adjust the current annual parcel charge to \$39 per parcel for 2010/11.

Annual Adjustment

The Zone B charge will be subject to an annual inflation adjustment, based on the greater of the percentage change calculated for the previous calendar year, in the Los Angeles-Riverside-Orange County Regional Electricity Price Index, as published by the Department of Labor's Bureau of Labor Statistics or 5 percent.

Zone B Parcel Charge History

The following table sets forth the history of the annual Zone B charge.

Fiscal Year	Annual Parcel Charge	Fiscal Year	Annual Parcel Charge
1985-86	\$22.00	1998-99	\$23.00
1986-87	\$18.00	1999-00	\$23.00
1987-88	\$21.00	2000-01	\$23.00
1988-89	\$21.00	2001-02	\$23.00
1990-91	\$20.00	2002-03	\$23.00
1991-92	\$20.00	2003-04	\$23.00
1992-93	\$21.50	2004-05	\$23.00
1993-94	\$23.00	2005-06	\$23.00
1994-95	\$24.00	2006-07	\$23.00
1995-96	\$24.00	2007-08	\$23.00
1996-97	\$23.00	2008-09*	\$23.00 / \$24.00
1997-98	\$23.00	2009-10	\$23.00 / \$24.00

* Beginning in FY 2008/09 the parcel charge for tracts that had previously approved an annual inflation adjustment for Zone B services, was increased to \$24 per parcel, per year. All other tracts that have not previously approved an annual inflation adjustment currently pay \$23 per parcel, per year.

Duration of the Charge

If approved, the increase in the Zone B parcel charge shall be levied on the County of Riverside property tax bills beginning with the FY 2010/11 tax bills, and each following year at the property owner approved charge.

Public Hearing

To provide information concerning the proposed mail ballot proceeding for the Zone B (Residential Street Lighting) program the CSD has scheduled three (3) informational meetings as listed below, along with one (1) Public Meeting and one (1) Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<u>Information Meetings</u>	<u>Public Meeting</u>	<u>Public Hearing</u>
Tuesday, August 17, 2010 9:00 A.M.	Tuesday, August 24, 2010 6:30 P.M.	Tuesday, September 14, 2010 6:30 P.M.
Wednesday, August 18, 2010 7:00 P.M.	(Or As Soon Thereafter As The Matter May Be Called)	(Or As Soon Thereafter As The Matter May Be Called)
Wednesday, September 1, 2010 3:00 P.M.		

Tabulation of all returned ballots will commence after the close of the Public Hearing. All ballots received shall be tabulated under the direction of the Secretary to the CSD Board (City Clerk) in compliance with the current Policy For Conducting Mail Ballot Proceedings Policy #1.12. At the close of the public hearing, the Secretary to the CSD Board shall inform the City Council/CSD Board when the official ballot results may be announced.

Effect if Increase is Approved

If a simple majority (50%+1) of the returned valid ballots approve the increase in the annual charge for Zone B, residential street lighting services shall continue at the current level. The total approved charge of \$39 per parcel shall be placed on the 2010/11 Riverside County property tax bill.

Effect if Increase is Not Approved

If there is a tie or if a majority of the returned valid ballots oppose the increase in the annual charge for Zone B, residential street lighting services shall be reduced to a level that can be supported by available Zone B funding, according to the CSD Zone B (Residential Street Lighting) & Zone C (Arterial Street Lighting) Policy #2.34. Reductions in service may include turning off and/or removing residential streetlights.

For More Information

If you have any questions about the proposed increase in the annual Zone B (Residential Street Lighting) parcel charge, or about the mail ballot proceeding process, please contact the City's Special Districts Division, Monday through Thursday from 7:30 a.m. to 5:30 p.m. at 951.413.3480.

Completing Your Ballot

Property owners may submit the enclosed ballot to the CSD in support or opposition to the proposed increase in the Zone B annual charge. Please follow the instructions listed below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballots are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support or opposition to the proposed increase in the Zone B annual charge **by placing a mark in the corresponding box.**
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the Public Hearing to be held on **Tuesday, September 14, 2010**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:30 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:



A check mark substantially inside a box;



An X mark substantially inside a box;



A dot or oval mark substantially inside a box;



A completely shaded or filled mark substantially inside a box;



A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;



A circle around the box and/or associated clause; or




A square or rectangle around the box and/or associated clause.


Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

OFFICIAL BALLOT for Assessor Parcel No. «PARCEL» - Zone B (Residential Street Lighting) 

If a simple majority (50%+1) of returned ballots are marked as approving an increase in the Community Services District (CSD) Zone B program charge, the CSD shall levy a charge of \$39 per parcel per year. The charge will be placed on your Riverside County property tax bill beginning fiscal year (FY) 2010/11 and is subject to an annual adjustment based on the greater of the percentage change calculated for the previous calendar year in the Los Angeles-Riverside-Orange County Regional Electricity Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics, or 5%. **This ballot must be received by the Secretary of the Board (City Clerk) of the Moreno Valley CSD prior to the close of the Public Hearing on September 14, 2010,** at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California. The Public Hearing will be held at 6:30 p.m. or as soon thereafter as the matter may be called.

Yes, I approve the \$15 increase in the annual parcel charge (equivalent to \$1.25 per month) for CSD Zone B services, which will adjust the FY 2009/10 parcel charge from \$24 to \$39 for FY 2010/11. The parcel charge is subject to an annual adjustment based on the greater of the percentage change calculated for the previous calendar year in the Los Angeles-Riverside-Orange County Regional Electricity Price Index or 5%. 

No, I do not approve the \$15 increase in the annual parcel charge for CSD Zone B services. I understand the FY 2009/10 parcel charge of \$24 shall be increased by the inflation rate, if previously approved, and shall be levied on the 2010/11 Riverside County property tax bill. Residential street lighting services shall be reduced to a level consistent with available funding. 

Llame al 951.413.3480 para obtener información verbal en Español

PROPERTY OWNER SIGNATURE

DATE

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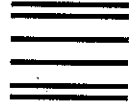
MORENO VALLEY
WHERE DREAMS SOAR

PUBLIC WORKS DEPARTMENT
SPECIAL DISTRICTS DIVISION
14325 FREDERICK STREET, SUITE 9
P. O. BOX 88005
MORENO VALLEY, CA 92552-0805
WWW.MOVAL.ORG

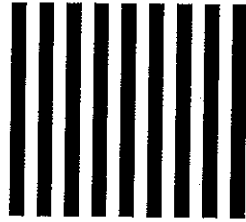
OFFICIAL BALLOT ENCLOSED
BOLETA ELECTORAL



PUBLIC WORKS DEPARTMENT
SPECIAL DISTRICTS DIVISION
14125 FREDERICK STREET, SUITE 9
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805
WWW.MVAL.ORG



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CITY CLERK'S OFFICE
MORENO VALLEY CSD
ZONE B BALLOT - 9/14/2010
P.O. BOX 88005
MORENO VALLEY, CA 92552-9909



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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>WBS</i>

Report to City Council

TO: Mayor and City Council

FROM: Chief of Police John Anderson

AGENDA DATE: August 24, 2010

TITLE: Additional positions for the Special Enforcement Team (SET) Gang Unit

RECOMMENDED ACTION

Staff recommends the City Council:

1. Approve the refunding of two previously defunded motorcycle officer positions at 2,080 hours.
2. Approve the reallocation of the two motorcycle officer positions at 2,080 hours to two (2) 1,780-hour officer positions to be assigned to the Special Enforcement Team (SET) Gang unit.
3. Approve the allocation of one additional (1) 1,780-hour officer position to be assigned to the SET Gang unit.
4. Authorize an appropriation from the General Fund balance in the amount of \$578,968 to fund three (3) officer positions for the SET Gang unit for the remainder of the 2010-11 fiscal year (approximately 10 months). Funding for the 3 officer positions will come from additional savings achieved by the Police Department in their FY 2009-10 budget (\$968,000).

ADVISORY BOARD/COMMISSION RECOMMENDATION

On August 17, 2010, at a City Council Study Session, Chief of Police John Anderson was instructed by City Council to prepare a staff report to augment the SET Gang unit to allow for additional gang enforcement due to a recent increase in violent gang activity.

BACKGROUND

Traditionally, Moreno Valley gangs have been defined by their geographical boundaries within the city limits. A change from traditional “turf” gangs has created new gangs that integrate throughout the city. These gangs now claim the city limit boundaries as their territory, which has caused rival gangs to come into conflict. This has created a rise in violence between the gangs in public areas and within the schools.

DISCUSSION

As of recent, there has been an influx of gang related violence. The Police Department has noticed over the past six months an increase in gang violence between gang members of different ethnic groups. This, coupled with traditional gang narcotic activity that leads to violence has presented a spike in gang issues. The current issues consist of four gang homicides this year, an increase in drive-by shootings, some of which resulted in serious injuries, carjackings, and robberies involving suspected gang members.

One example of an effort to combat these issues of late, the Moreno Valley Police Department conducted “Operation Safe Parks” which resulted in numerous arrests varying from illicit narcotic activity to misdemeanor warrant services, and completing field interviews on more than eighty known gang members.

Solution:

The Police Department has mapped a strategy to combat gang violence using the SET/Gang Unit. The efforts will include the assistance of the Riverside County Gang Task Force, Problem Oriented Policing, and the Narcotic team. These strategies consist of the following:

- Zero tolerance for gang activity
- Gather gang intelligence
- High visibility gang saturation
- Identify new/associated members and narcotic locations
- Gang surveillance
- Parole and probation sweeps
- Seven days a week gang officer coverage
- Address business intimidation
- Increase gang patrol in apartment complexes, business centers, and parks

ALTERNATIVES

1. Approve recommendation from staff for the requested positions.
2. Provide staff with additional direction.

FISCAL IMPACT

In FY 2009-10, the Moreno Valley Police Department incurred an additional savings of \$968,000 above the \$352,739 taken into account for the deficit reduction plan. The Police Department achieved the savings through being fiscally responsible and scrutinizing our expenses. In addition to being fiscally responsible, due to the possibility of losing positions in the deficit reduction plan, when two motorcycle officer positions and one POP (Problem Oriented Policing) Team position became vacant, they were left vacant thus incurring savings of \$968,000 above the original \$353,739 deficit reduction savings.

Sufficient funds are available in the Police Department's FY 2009-10 budget to appropriate the funds for the 3 officer positions. These funds will be placed in the Police Department – Special Enforcement's FY 2010-11 budget:

<u>Fund/Account</u>	<u>Amount:</u>
00010.62710.6251.252	\$578,968

This will have an annualized impact to the General Fund of \$683,894 and increase the City's General Fund structural deficit. Staff will address the future funding of these costs during the budget process for FY 2011-12.

CITY COUNCIL GOALS

To provide a safe and secure environment for people and property in the community, and provide protection for citizens who live, work and visit the City of Moreno Valley.

SUMMARY

Due to the latest illicit increase in gang activity and violence occurring in public places and within our school system, the potential for this violence to continue to rise and impact our communities is a true threat. Therefore, these additional positions will be used to curb gang violence and enhance the quality of life in our communities. The Moreno Valley Police Department is a pro-active police department, By funding the requested increase staffing will provide seven days a week gang unit coverage, which will provide comprehensive gang suppression.

NOTIFICATION

N/A

ATTACHMENTS/EXHIBITS

1. Power Point

Prepared:
 Name Bill Tyler/Cheryl Evans
 Title Lieutenants

Department Head Approval:
 Name John Anderson
 Title Chief of Police

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

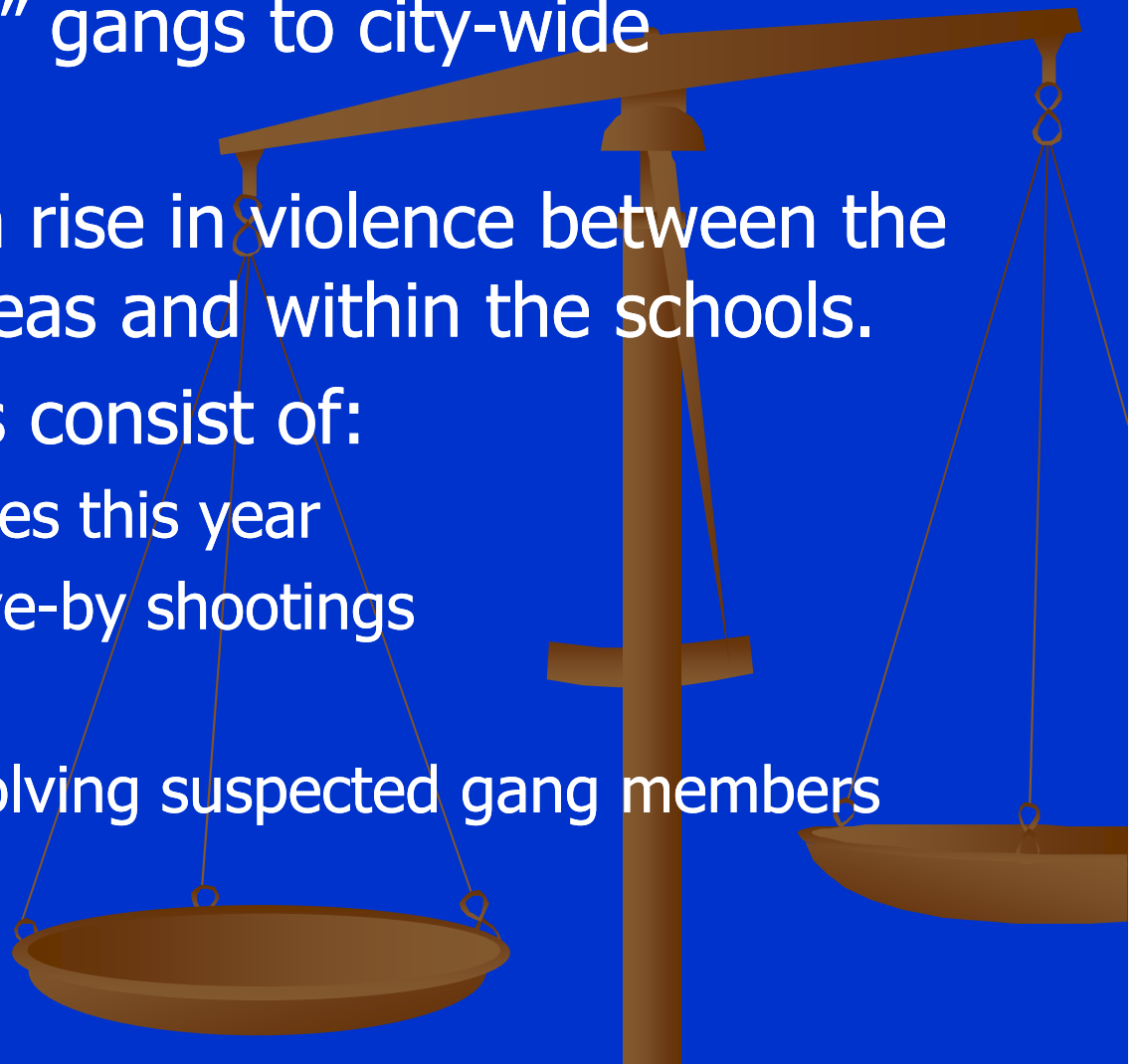
Moreno Valley Police Department

Special Enforcement Team
Gang Unit



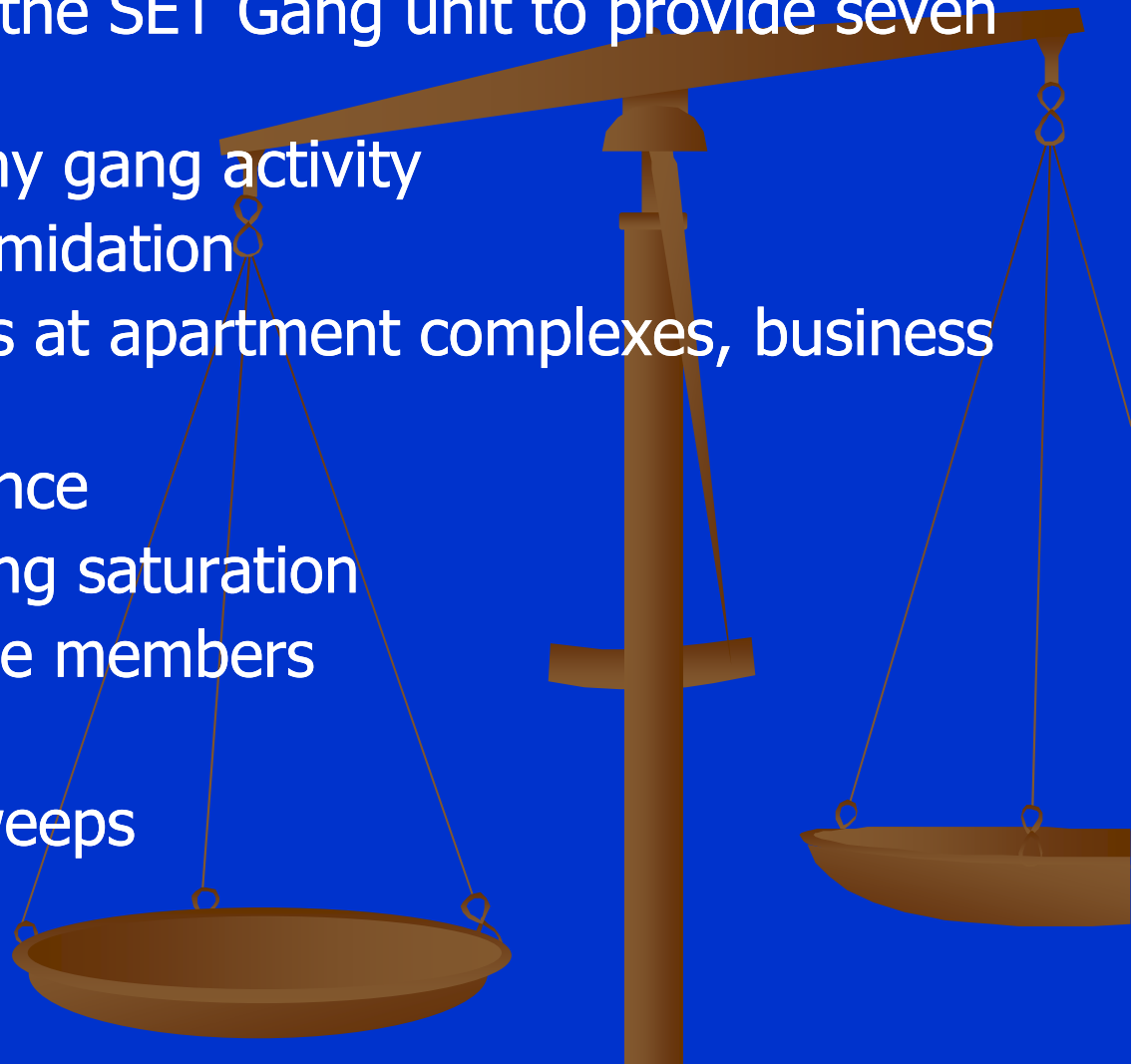
Background

- Change from “turf” gangs to city-wide boundaries.
- This has created a rise in violence between the gangs in public areas and within the schools.
- The current issues consist of:
 - four gang homicides this year
 - an increase in drive-by shootings
 - carjackings
 - and robberies involving suspected gang members



Solution

- Add three officers to the SET Gang unit to provide seven day a week coverage
- Zero Tolerance for any gang activity
- Address business intimidation
- Increase gang patrols at apartment complexes, business centers and parks.
- Gather gang intelligence
- High visibility and gang saturation
- Identify new associate members
- Gang surveillance
- Parole / Probation sweeps



Recommendations

- Approve the refunding of the two defunded motorcycle officer positions for FY 10/11.
- Approve the reallocation of the two motorcycle officer positions to two (SET) Gang unit officer positions.
- Approve the allocation of one additional Gang unit officer.
- Authorize an appropriation from the General Fund balance in the amount of \$578,968 to fund three (3) officer positions for the remainder of the FY 10/11.
- Funding for the 3 officer positions will come from additional savings achieved by the Police Department in their FY 09-10 budget (\$968,000).

