COOPERATIVE AGREEMENT
Cucamonga Creek – Schleisman Road Lateral, Stage 1
Cucamonga Creek – Taylor Way Storm Drain, Stage 1
Cucamonga Creek - Summit Drive Storm Drain, Stage 1
Cucamonga Creek – Kimball Avenue Storm Drain, Stage 1
Project Nos. 2-0-00116, 2-0-00117, 2-0-00118 and 2-0-00119
Parcel Map No. 36787

The Riverside County Flood Control and Water Conservation District
("DISTRICT"), the City of Eastvale ("CITY"), and FR The Ranch, LLC a Delaware limited
liability company ("DEVELOPER"), hereby agree as follows:

RECITALS

A. DEVELOPER is the legal owner of record of certain real property, including
Parcel Map No. 36787, located within the County of Riverside. DEVELOPER has submitted for
approval Parcel Map No. 36787 located in the city of Eastvale. As a condition of approval for
Parcel Map No. 36787, DEVELOPER must construct certain flood control facilities in order to
provide flood protection and drainage for DEVELOPER'S planned development; and

B. The legal description of Parcel Map No. 36787 is provided on Exhibit "A"
attached hereto and made a part hereof; and

C. The required flood control facilities, as shown on District Drawing No. 2-
0476, includes the construction of:

i) Approximately 360 lineal feet of underground storm drain system and
outlet structure ("LINE A") as shown in concept in blue on Exhibit "B" attached hereto and made
a part hereof; and

ii) Approximately 900 lineal feet of underground storm drain system and
headwall structure ("LINE B") as shown in concept in red on Exhibit "B"; and

iii) Approximately 700 lineal feet of underground storm drain system
("LINE C") as shown in concept in green on Exhibit "B"; and
iv) Approximately 460 lineal feet of underground storm drain system
("LINE E") as shown in concept in purple on Exhibit "B". Together, LINE A, LINE B, LINE C
and LINE E, are hereinafter called "DISTRICT FACILITIES"; and

D. At its downstream terminus, LINE A will connect to the existing Cucamonga
Creek-Schleisman Road Storm Drain, Stage 2 facility ("STORM DRAIN"). STORM DRAIN has
not been accepted by DISTRICT for ownership, operation and maintenance; and

E. Associated with the construction of DISTRICT FACILITIES is the
construction of certain inlets, catch basins, connector pipes and various lateral storm drains that
are thirty-six inches (36") or less in diameter located within CITY-held easements or rights of
way ("APPURTENANCES"); and

F. Also associated with the construction of DISTRICT FACILITIES is the
construction of (i) approximately 600 lineal feet of 54-inch underground storm drain system; (ii)
approximately 420 lineal feet of 48-inch underground storm drain system; and (iii) certain catch
basins, inlets, and water quality basin located within DEVELOPER held rights of way or
easements ("DEVELOPER FACILITIES"). DEVELOPER FACILITIES are to be initially
owned and maintained by DEVELOPER, and subsequently owned and maintained by the
Property Owners' Association for Parcel Map No. 36787; and

G. Together, DISTRICT FACILITIES, APPURTENANCES, and
DEVELOPER FACILITIES are hereinafter called "PROJECT"; and

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

J. DISTRICT is willing to (i) review and approve DEVELOPER'S plans and specifications for PROJECT, (ii) inspect the construction of DISTRICT FACILITIES, and (iii) accept ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES, provided DEVELOPER (a) complies with this Agreement, (b) constructs PROJECT in accordance with DISTRICT and CITY approved plans and specifications, and (c) obtains and conveys to DISTRICT the necessary rights of way for the inspection, operation and maintenance of DISTRICT FACILITIES as set forth herein, and (d) accepts ownership and responsibility for the operation and maintenance of PROJECT following completion of PROJECT construction until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES and STORM DRAIN; and

K. CITY is willing to (i) review and approve DEVELOPER'S plans and specifications for PROJECT, (ii) inspect the construction of PROJECT, (iii) accept and hold faithful performance and payment bonds submitted by DEVELOPER for DISTRICT FACILITIES, (iv) grant DISTRICT the right to inspect, operate and maintain DISTRICT FACILITIES within CITY rights of way, (v) consent to the recordation and conveyance of the Irrevocable Offer(s) of Dedication furnished by DEVELOPER as provided herein, and (vi) accept ownership and responsibility for the operation and maintenance of APPURTENANCES, provided PROJECT is constructed in accordance with plans and specifications approved by DISTRICT and CITY.

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

DEVELOPER shall:

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

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

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

4. Secure, at its sole cost and expense, all necessary licenses, agreements, permits and rights of entry as may be needed for the construction, inspection, operation and maintenance of PROJECT. DEVELOPER shall furnish DISTRICT, at the time of providing written notice to DISTRICT of the start of construction as set forth in Section I.8., with sufficient
evidence of DEVELOPER having secured such necessary licenses, agreements, permits and rights of entry, as determined and approved by DISTRICT.

5. Furnish DISTRICT with copies of all permits, approvals or agreements required by any federal, state or local resource and/or regulatory agency for the construction, operation and maintenance of DISTRICT 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 Wildlife, State Water Resources Control Board, and Western Riverside County Regional Conservation Authority ("REGULATORY PERMITS").

6. Provide CITY, prior to providing written notice to DISTRICT of the start of construction as set forth in Section I.8., with faithful performance and payment bonds, each in the amount of one hundred percent (100%) of the estimated cost for construction of DISTRICT FACILITIES as determined by DISTRICT. The surety, amount and form of the bonds, shall be subject to approval of DISTRICT and CITY. The bonds shall remain in full force and effect until DISTRICT FACILITIES are accepted by DISTRICT as complete, at which time the bond amount may be reduced to five percent (5%) for a period of one year to guarantee against any defective work, labor or materials.

7. [THIS SECTION INTENTIONALLY LEFT BLANK]

8. Notify DISTRICT in writing (Attention: Administrative Services Section), at least twenty (20) days prior to the start of construction of PROJECT. Construction shall not begin on any element of PROJECT, for any reason whatsoever, until DISTRICT has issued to DEVELOPER a written Notice to Proceed authorizing DEVELOPER to commence construction of PROJECT.
9. Grant DISTRICT and CITY, by execution of this Agreement, the right to enter upon DEVELOPER’S property where necessary and convenient for the purpose of gaining access to, and performing inspection service for, the construction of PROJECT as set forth herein.

10. Obtain and provide DISTRICT, at the time of providing written notice to DISTRICT of the start of construction of PROJECT as set forth in Section I.8., with duly executed Irrevocable Offer(s) of Dedication to the public for flood control and drainage purposes, including ingress and egress, for the rights of way deemed necessary by DISTRICT for the construction, inspection, operation and maintenance of DISTRICT FACILITIES as shown in concept cross-hatched in black on Exhibit "C" attached hereto and made a part hereof. The Irrevocable Offer(s) of Dedication shall be in a form approved by DISTRICT and shall be executed by all legal and equitable owners of the property described in the offer(s).

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

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

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

14. Furnish DISTRICT with final mylar PROJECT plans and assign their ownership to DISTRICT prior to the start of PROJECT construction.

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

16. Comply with all Cal/OSHA safety regulations including regulations concerning confined space and maintain a safe working environment for DEVELOPER, CITY and DISTRICT employees on the site.

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

18. For the purposes of this Paragraph 18, DEVELOPER shall be deemed to include DEVELOPER or any of DEVELOPER'S contractors, subcontractors or consultants. DEVELOPER shall not commence operations until DISTRICT has been furnished with original certificate(s) of insurance and original certified copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section.
Without limiting or diminishing DEVELOPER'S obligation to indemnify or hold DISTRICT harmless, DEVELOPER shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement:

A. Workers' Compensation:

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

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of DEVELOPER'S performance of its obligations hereunder. Policy shall name the DISTRICT, County of Riverside and CITY, its agencies, districts, special districts, and departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as additional insureds. Policy's limit of liability shall not be less than $2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it
shall apply separately to this Agreement or be no less than two (2) times
the occurrence limit.

C. Vehicle Liability:

If DEVELOPER’S vehicles or mobile equipment are used in the
performance of the obligations under this Agreement, then
DEVELOPER shall maintain liability insurance for all owned, non-
owned or hired vehicles so used in an amount not less than $1,000,000
per occurrence combined single limit. If such insurance contains a
general aggregate limit, it shall apply separately to this Agreement or
be no less than two (2) times the occurrence limit. Policy shall name
the DISTRICT, County of Riverside and CITY, its agencies, districts,
special districts, and departments, their respective directors, officers,
Board of Supervisors, employees, elected or appointed officials, agents
or representatives as additional insureds.

D. Professional Liability:

DEVELOPER shall maintain Professional Liability Insurance
providing coverage for DEVELOPER'S performance of work included
within this Agreement, with a limit of liability of not less than
$2,000,000 per occurrence and $4,000,000 annual aggregate. If
DEVELOPER'S Professional Liability Insurance is written on a claims
made basis rather than an occurrence basis, such insurance shall
continue through the term of this Agreement and DEVELOPER shall
purchase at his sole expense either 1) an Extended Reporting
Endorsement (also known as Tail Coverage); or 2) Prior Dates
Coverage from a new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that DEVELOPER has maintained continuous coverage with the same or original insurer. Coverage provided under items: 1), 2) or 3) will continue as long as the law allows.

E. General Insurance Provisions – All Lines:

i. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A: VIII (A: 8) unless such requirements are waived, in writing, by the County Risk Manager. If the County Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

ii. DEVELOPER must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds $500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention deemed unacceptable to DISTRICT, and at the election of the County Risk Manager, DEVELOPER'S carriers shall either: 1) reduce or eliminate such self-insured retention with respect to this Agreement with DISTRICT, or 2) procure a bond which guarantees payment of
losses and related investigations, claims administration, and
defense costs and expenses.

iii. DEVELOPER shall cause their insurance carrier(s) or its
contractor's insurance carrier(s), to furnish DISTRICT with 1) a
properly executed original certificate(s) of insurance and
certified original copies of endorsements effecting coverage as
required herein; and 2) if requested to do so orally or in writing
by the County Risk Manager, provide original certified copies of
policies including all endorsements and all attachments thereto,
showing such insurance is in full force and effect. Further, said
certificate(s) and policies of insurance shall contain the covenant
of the insurance carrier(s) that a minimum of sixty (60) days
written notice shall be given to DISTRICT prior to any material
modification, cancellation, expiration or reduction in coverage
of such insurance. If DEVELOPER insurance carrier(s) policies
does not meet the minimum notice requirement found herein,
DEVELOPER shall cause DEVELOPER'S insurance carrier(s)
to furnish a 60 day Notice of Cancellation Endorsement. In the
event of a material modification, cancellation, expiration or
reduction in coverage, this Agreement shall terminate forthwith,
unless DISTRICT receives, prior to such effective date, another
properly executed original certificate of insurance and original
copies of endorsements or certified original policies, including
all endorsements and attachments thereto, evidencing coverages
set forth herein and the insurance required herein is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the certificate of insurance.

iv. It is understood and agreed by the parties hereto that DEVELOPER'S insurance shall be construed as primary insurance, and DISTRICT'S insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

v. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or the term of this Agreement, including any extensions thereof, exceeds five (5) years, DISTRICT reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverages currently required herein, if, in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by DEVELOPER has become inadequate.

vi. DEVELOPER shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
vii. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to DISTRICT.

viii. DEVELOPER agrees to notify DISTRICT of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

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 provide written notice to DEVELOPER that DISTRICT is unable to perform its obligations hereunder, nor to accept responsibility for ownership, operation and maintenance of DISTRICT FACILITIES due, either in whole or in part, to said breach of this Agreement.

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

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

21. Upon completion of PROJECT construction, and upon acceptance by CITY of all street rights of way deemed necessary by DISTRICT and CITY for the operation and maintenance of DISTRICT FACILITIES and APPURTENANCES, but prior to DISTRICT acceptance of DISTRICT FACILITIES for ownership, operation and maintenance, convey, or cause to be conveyed to DISTRICT the flood control easement(s), including ingress and egress, for the rights of way deemed necessary by DISTRICT for the operation and maintenance of
DISTRICT FACILITIES, in a form approved by DISTRICT, for the rights of way as shown in concept cross-hatched in black on Exhibit "C".

22. At the time of recordation of the conveyance document(s), as set forth in Section 1.21., furnish DISTRICT with policies of title insurance, each in the amount of not less than fifty percent (50%) of the estimated fee value, as determined by DISTRICT, for each easement parcel to be conveyed to DISTRICT, guaranteeing DISTRICT'S interest in said property as being free and clear of all liens, encumbrances, assessments, easements, taxes and leases (recorded or unrecorded), except those which, in the sole discretion of DISTRICT, are deemed acceptable.

23. [THIS SECTION INTENTIONALLY LEFT BLANK.]

24. Accept ownership and sole responsibility for the operation and maintenance of PROJECT until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES and STORM DRAIN, CITY accepts ownership and responsibility for the operation and maintenance of APPURTENANCES, and the Property Owner(s) accepts ownership and responsibility for the operation and maintenance of DEVELOPER FACILITIES. Further, it is mutually understood by the parties hereto that prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT FACILITIES, PROJECT and shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, subsequent to the inspection and, in the sole discretion of DISTRICT, DISTRICT FACILITIES are not in an acceptable condition, corrections shall be made at sole expense of DEVELOPER.

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

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

SECTION II

DISTRICT shall:

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

2. Provide CITY with 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 DEVELOPER pursuant to Section 1.10.

5. Inspect DISTRICT 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 FACILITIES as being complete, submit a final cost statement to DEVELOPER. If the deposit, as set forth in Section 1.3., exceeds such costs, DISTRICT shall reimburse DEVELOPER the excess amount within sixty (60) days after DISTRICT acceptance of DISTRICT FACILITIES as being complete.

8. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT FACILITIES upon (i) DISTRICT inspection of DISTRICT FACILITIES in accordance with Section 1.20., (ii) DISTRICT acceptance of PROJECT construction as being complete, (iii) DISTRICT receipt of stamped and signed "record drawings" of PROJECT plans, as set forth in Section 1.25., (iv) recordation of all conveyance documents described in Section 1.21., (v) CITY acceptance of all necessary street rights of way as deemed necessary by DISTRICT and CITY for the operation and maintenance of DISTRICT FACILITIES and APPURTEANCES, (vi) CITY acceptance of APPURTEANCES for ownership, operation, and maintenance, and (vii) DISTRICT'S sole determination that DISTRICT FACILITIES are in a satisfactory condition, and (viii) DISTRICT acceptance of ownership and responsibility for the operation and maintenance of STORM DRAIN.

9. Provide CITY with a reproducible duplicate copy of "record drawings" PROJECT plans upon DISTRICT acceptance of DISTRICT FACILITIES as being complete.

SECTION III

CITY shall:

1. Review and approve IMPROVEMENT PLANS prior to the start of PROJECT construction.
2. Accept CITY and DISTRICT approved faithful performance and payment bonds submitted by DEVELOPER as set forth in Section 1.6., and hold said bonds as provided herein.

3. Inspect PROJECT construction.

4. Consent, by execution of this Agreement, to the recording of any Irrevocable Offer(s) of Dedication furnished by DEVELOPER pursuant to this Agreement.

5. As requested by DISTRICT, accept the Irrevocable Offer(s) of Dedication as set forth herein, and any other outstanding offers of dedication necessary for the construction, inspection, operation and maintenance of DISTRICT FACILITIES and STORM DRAIN, and, convey sufficient rights of way to DISTRICT to allow DISTRICT to construct, inspect, operate and maintain DISTRICT FACILITIES and STORM DRAIN.

6. Grant DISTRICT, by execution of this Agreement, the right to construct, inspect, operate and maintain DISTRICT FACILITIES within CITY rights of way.

7. Accept ownership and sole responsibility for the operation and maintenance of APPURTENANCES upon DISTRICT acceptance of DISTRICT FACILITIES and STORM DRAIN for ownership and responsibility for operation and maintenance.

8. Upon DISTRICT acceptance of PROJECT construction as being complete, accept sole responsibility for the adjustment of all PROJECT manhole rings and covers located within CITY rights of way which must be performed at such time(s) that the finished grade along and above the underground portions of DISTRICT 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.

SECTION IV

It is further mutually agreed:
1. All construction work involved with PROJECT shall be inspected by DISTRICT and CITY, and shall not be deemed complete until DISTRICT and CITY mutually agree in writing that construction is completed in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.

2. CITY and DEVELOPER personnel may observe and inspect all work being done on PROJECT, but shall provide any comments to DISTRICT personnel who shall be solely responsible for all quality control communications with DEVELOPER’S contractor(s) during the construction of PROJECT.

3. DEVELOPER shall complete construction of PROJECT within twelve (12) consecutive months after execution of this Agreement and within three hundred sixty (360) consecutive calendar days after commencing work on PROJECT. It is expressly understood that since time is of the essence in this Agreement, failure of DEVELOPER to perform the work within the agreed upon time shall constitute authority for DISTRICT to perform the remaining work and require DEVELOPER’S surety to pay to CITY the penal sum of any and all bonds. In which case, CITY shall subsequently reimburse DISTRICT for DISTRICT costs incurred.

4. If DEVELOPER fails to commence construction of PROJECT within nine (9) months after execution of this Cooperative Agreement, then DISTRICT reserves the right to withhold issuance of the Notice to Proceed pending a review of the existing site conditions as they exist at the time DEVELOPER provides written notification to DISTRICT of the start of construction as set forth in Section 1.8. In the event of a change in the existing site conditions that materially affects PROJECT function or DISTRICT’S ability to operate and maintain DISTRICT DRAINAGE FACILITY, DISTRICT may require DEVELOPER to modify IMPROVEMENT PLANS as deemed necessary by DISTRICT.
5. DISTRICT shall endeavor to issue DEVELOPER a Notice to Proceed within twenty (20) days of receipt of DEVELOPER'S complete written notice as set forth in Section 1.8.; however, DISTRICT'S construction inspection staff is limited and, therefore, the issuance of a Notice to Proceed is subject to staff availability.

In the event DEVELOPER wishes to expedite issuance of a Notice to Proceed, DEVELOPER may elect to furnish an independent qualified construction inspector at DEVELOPER'S sole cost and expense. DEVELOPER shall furnish appropriate documentation of the individual's credentials and experience to DISTRICT for review and, if appropriate, approval. DISTRICT shall review the individual's qualifications and experience, and upon approval thereof, said individual, hereinafter called "DEPUTY INSPECTOR", shall be authorized to act on DISTRICT'S behalf on all PROJECT construction and quality control matters. If DEVELOPER'S initial construction inspection deposit furnished pursuant to Section 1.3. exceeds ten thousand dollars ($10,000), DISTRICT shall refund to DEVELOPER up to eighty percent (80%) of DEVELOPER'S initial inspection deposit within forty-five (45) days of DISTRICT'S approval of DEPUTY INSPECTOR; however, a minimum balance of ten thousand dollars ($10,000) shall be retained on account.

6. PROJECT construction work shall be on a five (5) day, forty (40) hour work week with no work on Saturdays, Sundays or DISTRICT designated legal holidays, unless otherwise approved in writing by DISTRICT. If DEVELOPER feels it is necessary to work more than the normal forty (40) hour work week or on holidays, DEVELOPER shall make a written request for permission from DISTRICT to work the additional hours. The request shall be submitted to DISTRICT at least seventy-two (72) hours prior to the requested additional work hours and state the reasons for the overtime and the specific time frames required. The decision of granting permission for overtime work shall be made by DISTRICT at its sole discretion and
shall be final. If permission is granted by DISTRICT, DEVELOPER will be charged the cost incurred at the overtime rates for additional inspection time required in connection with the overtime work in accordance with Ordinance Nos. 671 and 749, including any amendments thereto, of the County of Riverside.

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

DEVELOPER shall defend, at its sole expense, including all costs and fees (including but not limited to attorney fees, cost of investigation, defense and settlements or awards), DISTRICT, County of Riverside and CITY (including their respective agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives) in any claim proceeding or action for which indemnification is required.

With respect to any of DEVELOPER'S indemnification requirements, DEVELOPER shall, at its sole cost, have the right to use counsel of their own choice and shall
have the right to adjust, settle, or compromise any such claim, proceeding or action without the
prior consent of DISTRICT, County of Riverside and CITY; provided, however, that any such
adjustment, settlement or compromise in no manner whatsoever limits or circumscribes
DEVELOPER'S indemnification obligations to DISTRICT and CITY.

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

The specified insurance limits required in this Agreement shall in no way
limit or circumscribe DEVELOPER'S obligations to indemnify and hold harmless DISTRICT,
County of Riverside and CITY from third party claims.

In the event there is conflict between this Section and California Civil Code
Section 2782, this Section shall be interpreted to comply with California Civil Code Section 2782.
Such interpretation shall not relieve DEVELOPER from indemnifying DISTRICT, County of
Riverside or CITY to the fullest extent allowed by law.

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

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

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

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

CITY OF EASTVALE
12363 Limonite Avenue, Suite 910
Eastvale, CA 91752
Attn: Joe Indrawan

FR THE RANCH, LLC
898 N. Sepulveda Boulevard
El Segundo, CA 90245
Attn: Michael Goodwin

11. Any action at law or in equity brought by any of the parties hereto for the
purpose of enforcing a right or rights provided for by the Agreement, shall be tried in a court of
competent jurisdiction in the County of Riverside, State of California, and the parties hereto waive
all provisions of law providing for a change of venue in such proceedings to any other county.

12. This Agreement is the result of negotiations between the parties hereto, and
the advice and assistance of their respective counsel. The fact that this Agreement was prepared
as a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty
or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT
prepared this Agreement in its final form.

13. The rights and obligations of DEVELOPER shall inure to and be binding
upon all heirs, successors and assignees.

14. DEVELOPER shall not assign or otherwise transfer any of its rights, duties
or obligations hereunder to any person or entity without the written consent of the other parties
hereto being first obtained. In the event of any such transfer or assignment, DEVELOPER
expressly understands and agrees that it shall remain liable with respect to any and all of the
obligations and duties contained in this Agreement.

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

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

(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

By ________________________________
JASON E. UHLEY
General Manager-Chief Engineer

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT

By ________________________________
MARION ASHLEY, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

GREGORY P. PRIAMOS
County Counsel

By ________________________________
LEILA MOSHREF-DANESH
Deputy County Counsel

ATTEST:

KECIA HARPER-IHEM
Clerk of the Board

By ________________________________
Deputy
(SEAL)

Cooperative Agreement:
Cucamonga Creek – Schleisman Road Lateral, Stage 1
Cucamonga Creek – Taylor Wny Storm Drain, Stage 1
Cucamonga Creek- Summit Drive Storm Drain, Stage 1
Cucamonga Creek – Kimball Avenue Storm Drain, Stage 1
Project Nos. 2-0-00116, 2-0-00117, 2-0-00118 and 2-0-00119
Parcel Map No. 36787
AMR:rip
3/22/17
RECOMMENDED FOR APPROVAL:

By

JOE INDRAYAN
City Engineer

CITY OF EASTVALE

By

JOE TISSARI
Mayor

APPROVED AS TO FORM:

By

JOHN CAVANAUGH
City Attorney

ATTEST:

By

MICHELE NISSEN
City Manager

(SEAL)

Cooperative Agreement:
Cucamonga Creek – Schleisman Road Lateral, Stage 1
Cucamonga Creek – Taylor Way Storm Drain, Stage 1
Cucamonga Creek- Summit Drive Storm Drain, Stage 1
Cucamonga Creek – Kimball Avenue Storm Drain, Stage 1
Project Nos. 2-0-00116, 2-0-00117, 2-0-00118 and 2-0-00119
Parcel Map No. 36787
AMR: rlp
3/22/17
FR THE RANCH, LLC
a Delaware limited liability company

By

MICHAEL GOODWIN
Director of Development

(ATTACH NOTARY WITH CAPACITY
STATEMENT)
ACKNOWLEDGMENT

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

State of California
County of Los Angeles

On March 28, 2017 before me, Jacqueline Ventura-Notary (insert name and title of the officer) personally appeared, Michael Goodwin, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature [Signature] (Seal)
LEGAL DESCRIPTION

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

PARCELS 1 THROUGH 14, INCLUSIVE, AND LETTERED LOTS A THROUGH E, INCLUSIVE, OF PARCEL MAP NO. 36787, IN THE CITY OF EASTVALE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 241, PAGES 86 THROUGH 93, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 144-010-008-0 and 144-010-013-4
COOPERATIVE AGREEMENT
Cucamonga Creek – Schleisman Road Lateral, Stage 1
Cucamonga Creek – Taylor Way Storm Drain, Stage 1
Cucamonga Creek- Summit Drive Storm Drain, Stage 1
Cucamonga Creek – Kimball Avenue Storm Drain, Stage 1
Project Nos. 2-0-00116, 2-0-00117, 2-0-00118 and 2-0-00119
Parcel Map No. 36787
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