



M E M O R A N D U M
COMMUNITY DEVELOPMENT RESOURCE AGENCY
ENGINEERING AND SURVEYING DIVISION
County of Placer

TO: Board of Supervisors

DATE: July 27, 2021

FROM: Steve Pedretti, Agency Director

BY: Rebecca Taber, Deputy Director

SUBJECT: Riolo Vineyard Specific Plan / Recycled Water Backbone Infrastructure, Third Party Reimbursement Agreement

ACTION REQUESTED

1. Approve and authorize the Community Development Resource Agency Director, or designee to execute the Recycled Water Backbone Infrastructure Third Party Reimbursement Agreement, and to enter into any subsequent amendments to the agreement.

BACKGROUND

The Riolo Vineyard Specific Plan (RVSP) was originally approved in 2009 and amended in 2015 to allow for the development of up to 933 residential units and associated commercial land use, open space, and recreational facilities within the 525-acre project area. In 2018, the Planning Commission approved a Tentative Subdivision Map for Glen Willow, the second phase of the RVSP. This subdivision is located on the north side of PFE Road, between Watt Avenue and Walerga Road. In January 2021, the Board of Supervisors (Board) approved a Tentative Subdivision Map for Mason Trails, another phase of RVSP, located adjacent to and east of Glen Willow on the north side of PFE Road. These two subdivisions are both conditioned to construct portions of a public park, Park 3, that crosses between the northern portion of the two projects. Park 3 is required to irrigate with recycled water once the recycled water backbone infrastructure is made available to the site.

The backbone recycled water trunk line will be constructed by a future constructing entity to a point of connection within RVSP. Conditions of approval on both the Glen Willow and Mason Trails projects require payment of a non-refundable fair share fee contribution to the County towards the cost of the design and construction of the future recycled water backbone infrastructure by others. The developer of the RVSP subdivision projects, JEN CALIFORNIA 8 LLC, has provided these payments to the County in accordance with the conditions of approval and the County holds these deposits in a Recycled Water Reimbursement Account. The Recycled Water Backbone Infrastructure Third Party Reimbursement Agreement (Attachment A) provides provisions to allow the County to release the fair share amounts directly to the future third party Constructing Entity once construction is complete and accepted by the County and RVSP has agreed to these terms. Future phases of RVSP will also likely have a similar requirement placed as a condition of approval to pay a fair share contribution towards recycled water trunk line improvements.

ENVIRONMENTAL IMPACT

The final adopted Environmental Impact Report was certified by the Board on May 12, 2009 including the Findings of Fact and Statement of Overriding Consideration for the RVSP. An addendum to the Final Environmental Impact Report was adopted by the Board on December 11, 2012 and a second addendum to the Final Environmental Impact report was adopted on March 24, 2015. A Mitigation Monitoring and Reporting Program has been adopted and mitigation measures are incorporated into the Conditions of Approval for this subdivision.

FISCAL IMPACT

This action has no fiscal impact.

ATTACHMENT

Attachment A: Recycled Water Backbone Infrastructure Third Party Reimbursement Agreement

ATTACHMENT A



RECYCLED WATER BACKBONE INFRASTRUCTURE THIRD PARTY REIMBURSEMENT AGREEMENT

This Agreement, dated as of _____, 2021, is by and between the County of Placer, a political subdivision of the State of California (the "County"), and JEN CALIFORNIA 8 LLC, a California Limited Liability Company ("Developer"), hereinafter referred to collectively as the "Parties." Developer is the developer of the Riolo Vineyard Specific Plan ("RVSP") projects more commonly known as "Glen Willow" ("Project 1"), "Mason Trails" ("Project 2"), and "Silver Sage" ("Project 3").

RECITALS

1. In July 2018, the County approved the Riolo Vineyard Specific Plan Phase 2 vesting tentative subdivision map for Project 1 ("Glen Willow"), County entitlement number PLN16-00325, a residential subdivision of land containing 177 residential lots, generally located north of PFE Road, roughly halfway between Watt Avenue and Walerga Road, in the Dry Creek area of south Placer County. Implementation of Project 1 is required to be consistent with the Riolo Vineyard Specific Plan Update dated October 2015.
2. In March 2020, the County approved Improvement Plans for Project 1, County Improvement Plan Project No. ESD17-00169, to allow Developer to proceed with the construction of infrastructure improvements to serve lots within Project 1. Prior to Improvement Plan approval, Developer paid \$49,145 into a Recycled Water Reimbursement Account to Placer County as required by Project 1, Condition 38, which reads as follows:

Prior to Improvement Plan approval, the applicant shall pay the Glen Willow project's fair share of the cost of the design and construction of the recycled water backbone infrastructure. This amount is estimated to be \$49,145 based on the total recycled water cost at build out of \$4,508,700 (from the Riolo Vineyards Water and Recycled Water Master Plan prepared by WJM Consulting & Engineering dated October 30, 2013, which includes engineering design, construction costs, and contingency) with Riolo Vineyard's Park 3 average daily recycled water demand of 0.0153 MGD and Placer Vineyards' average daily recycled water demand of 1.41 MGD (based on current recycled water master plans), for a 1.09% percent fair share fee contribution. The fair share fee shall be a non-refundable cash

payment and will be held by the County until such time as another project constructs the backbone recycled water infrastructure. (EED)

3. Construction of backbone recycled water infrastructure is expected to occur with a future phase of the Placer Vineyards Specific Plan project, located roughly northwest of the Project 1 site, on the other side of the Main Stem of Dry Creek. The backbone recycled water infrastructure that is the subject of this Agreement is that as described in Project 1, Condition 38, or as subsequently defined in a County or water service provider approved updated recycled water master plan. The improvements generally will extend the recycled water line from the City of Roseville wastewater treatment plant from its current terminus to the Placer Vineyards Specific Plan boundary and provide a recycled water line connection to the Project 1 and Project 2 park (hereafter the "Improvements"). The entity that will be responsible for constructing the Improvements is not yet determined, but is referred to in this Agreement as the "Constructing Entity."
4. County acknowledges that Developer will not be the Constructing Entity and in no event shall Developer have any obligation to construct the Improvements.
5. The County anticipates receiving fair share payments from the RVSP development projects for the Improvements and will deposit and hold those funds in the Recycled Water Reimbursement Account in order to facilitate orderly and timely reimbursement to the yet-determined Constructing Entity. Any funds deposited to the Recycled Water Reimbursement Account shall be used only to fund the Improvements, but the County will have no obligation to contribute general funds, or funds from other sources, into the Recycled Water Reimbursement Account.
6. The County approved the Riolo Vineyard Specific Plan vesting tentative subdivision map for Project 2 ("Mason Trails"), County entitlement number PLN19-00077, a residential subdivision of land containing 170 residential lots, generally located north of PFE Road, roughly halfway between Watt Avenue and Walerga Road, in the Dry Creek area of south Placer County. Project 2 was also required to be consistent with the Riolo Vineyard Specific Plan Update dated October 2015, with a similar condition of approval requiring fair share payment towards the Improvements, included as Condition 43 which reads as follows:

Prior to the Initial Phase Improvement Plan approval, the applicant shall enter into the Recycled Water Backbone Infrastructure Third Party Reimbursement agreement and pay the Mason Trails project's fair share of the cost of the design and construction of the recycled water backbone infrastructure, if determined necessary by the

Department of Public Works. This amount is estimated to be \$24,798 based on the total recycled water cost at build out of \$4,508,700 (from the Riolo Vineyards Water and Recycled Water Master Plan prepared by WJM Consulting & Engineering dated October 30, 2013, which includes engineering design, construction costs, and contingency) with Riolo Vineyard's Park 3 expansion average daily recycled water demand of 0.00765 MGD and Placer Vineyards' average daily recycled water demand of 1.41 MGD (based on current recycled water master plans), for a 0.55% percent fair share fee contribution. The fair share fee shall be a non-refundable cash payment and will be held by the County until such time as another project constructs the backbone recycled water infrastructure. (EED)

In preparation for Project 2 Improvement Plan (ESD20-00008) approval, Developer paid \$24,798 on April 16, 2021 into the Recycled Water Reimbursement Account to Placer County as required by Condition 43.

7. The County anticipates that it will also consider for approval the Riolo Vineyard Specific Plan Phase 3 vesting tentative subdivision map for Project 3 ("Silver Sage"), County entitlement number PLN18-00333, a residential subdivision of land containing 270 residential lots, generally located north of PFE Road, east of the intersection of Watt Avenue and PFE Road, in the Dry Creek area of south Placer County. Project 3, which may be combined under common ownership to include the former Frisvold property, will also likely be required to be consistent with the Riolo Vineyard Specific Plan Update dated October 2015, and if Project 3 is approved with a similar condition of approval requiring fair share payment towards the Improvements, the Parties agree that this Agreement shall apply and govern in the same manner as Project 1 and 2.
8. Projects 1, 2, and 3 are all projects owned by Developer at the time of execution of this Agreement.
9. Funds from the Recycled Water Reimbursement Account are for the purpose of reimbursing the Constructing Entity for the costs of regional backbone recycled water infrastructure improvements which benefit the West Placer Area.
10. County and Developer desire to enter into this Agreement to provide reimbursement from the Recycled Water Reimbursement Account to the future Constructing Entity towards the costs of the Improvements.

AGREEMENTS

In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the sufficiency of which is hereby acknowledged, the County and Developer agree as follows:

- A. **GENERAL:** Section A shall be generally applicable to all provisions of this Agreement:
1. **Recitals:** The County and Developer represent and warrant, each to the other, that the above recitals, as applicable to each, are true and correct.
 2. **Indemnification and Hold Harmless:** The Developer agrees to defend, indemnify and save harmless the County, its officers, directors, employees, attorneys, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expense of every type and description to which they may be subjected or put, by reason of, or resulting from, this Agreement.
 3. **Developer's Obligations:** County hereby agrees and acknowledges that with respect to Project 1, Developer's payment described in Recital 2 fully satisfies Developer's obligation hereunder, pursuant to Condition 38, and with respect to Project 2, Developer's payment described in Recital 6 fully satisfies Developer's obligation hereunder, pursuant to Condition 43.
 4. **Notices:** Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to either party shall be deemed to have been received when personally delivered or one week following the deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

County:
Steve Pedretti, Director
Placer County Community Development Resource Agency
3091 County Center Drive, Suite 120
Auburn, CA 95603
(530) 745-3099

Developer:

Clifton Taylor, Vice President
JEN CALIFORNIA 8 LLC, a California Limited Liability Company
508 Gibson Drive, Suite 260
Roseville, CA 95678
(916) 778-0008

Each party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

5. **Severability:** If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.
6. **Successors and Assigns:** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.
7. **Waiver:** Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.
8. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original.
9. **Amendments:** Amendments to this Agreement shall be made only by a written instrument executed by each of the parties hereto.

B. **RECYCLED WATER REIMBURSEMENT ACCOUNT**

1. **Limitation of Liability; Excess Costs:** Developer agrees that any and all obligations of the County arising out of or related to this Agreement are special and limited obligations of the County and the County's obligations to make any payments hereunder are restricted entirely to the amounts of money deposited in the Recycled Water Reimbursement Account, if any, available to the County to make payments hereunder and from no other source. No County Supervisor, staff member, employee, or agent shall incur any liability hereunder to Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.
2. **Payment Request:** To obtain reimbursement of Improvement costs, the Constructing Entity will complete a Payment Request substantially in the

form of Exhibit A hereto or as otherwise acceptable to the County, specifying the amount(s) advanced and the amount(s) sought to be reimbursed and shall include such supporting documentation as the County may require and that a failure to complete the Payment Request, or otherwise acceptable form, may result in denial of the reimbursement request. The Payment request shall be filed with the County's Community Development Resource Agency Director ("Director").

- 3. **Processing Request:** Upon receipt of a properly received Payment Request for reimbursement and if sufficient money is in the Recycled Water Reimbursement Account, the Director shall review such request and make payments in accordance with the terms of this Agreement, including but not limited to section (C)(2) below, the Payment Request, and its Attachment 1.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year in the first paragraph of the first page.

COUNTY:

County of Placer

By: _____

Title: Steve Pedretti, Director
Community Development Resource Agency

DEVELOPER:

By: _____

Title: _____

EXHIBIT A
COUNTY OF PLACER
RECYCLED WATER BACKBONE
INFRASTRUCTURE IMPROVEMENTS
THIRD PARTY REIMBURSEMENT
PAYMENT REQUEST

The Constructing Entity, _____, hereby requests payment of:

\$_____ for reimbursement under Section B of the Agreement and hereby represents and warrants to the County as follows:

1. He (she) is a duly authorized officer of the Constructing Entity, qualified to execute this request for payment on behalf of the Constructing Entity, and knowledgeable as to the matters set forth herein.
2. The Constructing Entity has submitted or submits herewith to the County record drawings or similar plans and specifications for the items to be acquired as listed in Attachment 1 hereto, and such drawings or plans and specifications, as applicable, are true, correct, and complete.
3. All costs of the Improvements or portions thereof for which payment is requested hereby are actual costs and have not been inflated in any respect. The items for which payment is requested have not been the subject of any prior payment request submitted to the County.
4. Supporting documentation (such as third-party invoices) is attached with respect to each cost for which payment is requested.
5. The Improvements or portions thereof for which payment is requested were constructed in accordance with all applicable County standards, and in accordance with the record drawings or plans and specifications, as applicable, referenced above and are described in the attached Attachment 1 to this payment request.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

CONSTRUCTING ENTITY:

COUNTY:
Request for Payment
Approved for Submission
to Director

Authorized Representative
of the Constructing Entity

Authorized County Representative

**Attachment 1 to Recycled Water Backbone Infrastructure Improvements
Reimbursement Payment Request**

DESCRIPTION OF IMPROVEMENTS ELIGIBLE FOR REIMBURSEMENT