

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE CITY OF CORONA, CITY OF NORCO, JURUPA COMMUNITY SERVICES  
DISTRICT, HOME GARDENS SANITARY DISTRICT, WESTERN MUNICIPAL WATER  
DISTRICT AND THE WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER  
AUTHORITY REGARDING THE DESIGN, CONSTRUCTION, OPERATIONS AND CAPACITY  
OWNERSHIP IN CERTAIN RECYCLED WATER FACILITIES**

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This Memorandum of Understanding (“MOU”) is executed as of \_\_\_\_\_, 2023 (“Effective Date”), by and among the City of Corona (Corona), City of Norco (Norco), Jurupa Community Services District (JCSD), Home Gardens Sanitary District (Home Gardens), Western Municipal Water District (Western MWD) and the Western Riverside County Regional Wastewater Authority (WRCRWA), collectively referred to herein as “Parties” and individually as “Party.”

I. Recitals

- a. WRCRWA is a Joint Powers Authority (“JPA”) formed by and comprised of Corona, Norco, JCSD, Home Gardens and Western MWD (“WRCRWA member agencies”) for the collection, treatment and disposal of treated wastewater and the production of recycled water from a 14 million gallons per day (MGD) capacity tertiary wastewater treatment facility located at 14634 River Road, Corona, California.
- b. The purpose of this MOU is to provide a non-binding commitment among the WRCRWA member agencies for shared capacity ownership and joint funding of a recycled water pump station (“Recycled Water Pump Station”), a 24-inch diameter recycled water transmission pipeline (“Northerly Pipeline”), and a 20-inch diameter recycled water transmission pipeline (“Southerly Pipeline”). These facilities shall deliver recycled water produced at the WRCRWA Treatment Plant on behalf of the WRCRWA member agencies for designated beneficial uses. The MOU memorializes the Parties’ understandings regarding the ownership structure of the recycled water facilities, and responsibilities for the design, construction, and operations and maintenance of those facilities. In addition, this MOU provides preliminary costs for the recycled water facilities, the application of available grant funding, while recognizing the need for formal agreements to finalize the understandings contained herein and implement the proposed recycled water infrastructure projects.

II. Recycled Water Infrastructure

- a. The proposed Recycled Water Pump Station shall be located at the WRCRWA Treatment Plant site. The design of the Recycled Water Pump Station is being led by JCSD in coordination with WRCRWA. The WRCRWA member agencies may acquire capacity in that facility as specified in Section III, below. As currently identified through the preliminary design, the Recycled Water Pump Station shall be a combined station that will consist of two banks of pumps; one to supply the Northerly Pipeline and one to supply the Southerly Pipeline and an existing recycled water pipeline owned by Norco. JCSD shall work closely with WRCRWA on the design to ensure the facility meets WRCRWA design and operations standards. Construction of the Recycled Water Pump Station shall be led by JCSD in coordination with WRCRWA, and WRCRWA shall own the Recycled Water Pump Station infrastructure assets

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upon completion of construction and operational commissioning. WRCRWA shall be responsible for operations and maintenance of the Recycled Water Pump Station in a manner consistent with the WRCRWA Treatment Plant facilities.

- b. The proposed Northerly Pipeline shall extend from the Recycled Water Pump Station into JCSD's service area and shall convey recycled water to JCSD and to areas north of the WRCRWA service area for potential future sale or other designated beneficial uses. The design, construction, operations, and maintenance of the Northerly Pipeline shall be led by JCSD in coordination with WRCRWA. The WRCRWA member agencies may acquire capacity in that facility as specified in Section III, below. JCSD shall own the Northerly Pipeline infrastructure assets from the point of connection with the Recycled Water Pump Station.
- c. The proposed Southerly Pipeline shall extend from the Recycled Water Pump Station into Corona and convey recycled water to Corona and to the southerly portion of WRCRWA's service area for potential future sale or other designated beneficial uses. The design, construction, operations, and maintenance of the Southerly Pipeline shall be led by Corona in coordination with WRCRWA. The WRCRWA member agencies may acquire capacity in that facility, as specified in Section III, below. Corona shall own the Southerly Pipeline infrastructure assets from the point of connection with the Recycled Water Pump Station.

### III. WRCRWA Member Capacity Interests

- a. The WRCRWA member agencies have each provided an expression of interest for capacity ownership in the Recycled Water Pump Station, Northerly Pipeline and Southerly Pipeline. This information is being currently used by JCSD as the basis for the design of the Recycled Water Pump Station and the Northerly Pipeline, and to determine future proportionate capacity ownership and cost obligations among the WRCRWA member agencies acquiring capacity in these facilities.

The Southerly Pipeline has been previously designed and sized by the City of Corona. The capacity information provided by the WRCRWA member agencies will be used by Corona to determine future proportionate capacity ownership and cost obligations for the Southerly Pipeline among the participating WRCRWA member agencies.

The WRCRWA member agencies' expressed capacity interests in the recycled water facilities are as follows:

Table 1 – Recycled Water Pump Station<sup>1</sup>

Agency	Capacity (MGD)	Percentage (%)
Corona	2.62	26%
Home Gardens	0.56	6%
Norco	1.87	18%
Western MWD	1.54	15%
JCSD	3.56	35%
Total	10.15	100%

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Table 2 – Northerly Pipeline<sup>1</sup>

Agency	Capacity (MGD)	Percentage (%)
Corona	1.50	15%
Home Gardens	0.56	6%
Norco	0.00	0%
Western MWD	1.54	15%
JCSD	6.55	64%
Total	10.15	100%

Table 3 – Southerly Pipeline<sup>1</sup>

Agency	Capacity (MGD)	Percentage (%)
Corona	5.46	78%
Home Gardens	0.00	0%
Norco	0.00	0%
Western MWD	1.54	22%
JCSD	0.00	0%
Total	7.00	100%

<sup>1</sup> Percentages in Tables 1, 2 and 3 are rounded to the nearest whole number. Actual capacity will be expressed in percentages rounded to the hundredth.

Final capacity ownership in the Recycled Water Pump Station, Northerly Pipeline and Southerly Pipeline shall be the subject of subsequent agreements (“Construction, Operations and Maintenance Agreements”) to be executed by the participating Parties prior to construction, as described later in this MOU.

#### IV. Costs and Grant Funding

- a. The Recycled Water Pump Station, Northerly Pipeline and Southerly Pipeline are each in various stages of the design process. As such, the Parties acknowledge that the cost estimates included herein are preliminary in nature and should be used for indicative purposes only. The currently estimated recycled water infrastructure costs are as follows:

Table 4 – Preliminary Project Cost Estimates

Recycled Water Facility	Currently Estimated Costs <sup>2</sup>
Recycled Water Pump Station	\$17.90 million
Northerly Pipeline	\$16.01 million
Southerly Pipeline	\$6.42 million

<sup>2</sup> The costs for the Recycled Water Pump Station and Northerly Pipeline include construction costs escalated to the midpoint of construction with a 20% contingency, plus applicable project development and project implementation support costs. Costs for the Southerly Pipeline are based upon construction bids with a 10% contingency, plus project development and project implementation support costs.

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- b. The Parties understand that the preliminary costs shown in Table 4 are subject to change through design completion, the bid process, and through final reconciliation after the completion of construction. The Parties acknowledge that final reconciled costs for the facilities will include project development costs as well as project implementation support costs referenced in Table 4. Project development costs are defined as planning, preliminary design, and environmental documentation. Project implementation support costs are defined as final design, permits, surveying, right-of-way acquisition, legal, geotechnical, bonding, construction, construction management, inspection, and project accounting.
- c. JCSD has applied for and secured various state, federal and local grants, and applied for State Revolving Fund (SRF) loan financing for the construction of a recycled water distribution system serving its service area, which includes portions of the recycled water infrastructure described herein. Subject to final grant agreement approval among JCSD and the granting agencies, and the approval and execution of a Construction, Operations and Maintenance Agreement among the WRCRWA member agencies acquiring capacity in the Recycled Water Pump Station, JCSD shall commit \$3.2 million in grant proceeds to reduce final reconciled costs for the Recycled Water Pump Station. The benefit of the grant proceeds shall be shared in proportion to capacity ownership among JCSD and the WRCRWA member agencies acquiring capacity in the Recycled Water Pump Station. JCSD shall seek SRF financing for JCSD's and the WRCRWA member agencies' eligible costs associated with acquiring capacity in the Northerly Pipeline. The WRCRWA member agencies acquiring capacity in the Northerly Pipeline acknowledge that SRF financing through JCSD shall be at JCSD's sole discretion and subject to the terms and conditions of the SRF financing agreement with the state.

V. Future Construction, Operations and Maintenance Agreements

- a. The WRCRWA members shall acknowledge binding commitments to acquire capacity in the Recycled Water Pump Station, Northerly Pipeline and Southerly Pipeline through the future execution of Construction, Operations and Maintenance Agreements. A separate agreement shall be developed for each recycled water facility based upon the WRCRWA member agencies participating in the facility, the design and construction status of each facility, future facility ownership, operations and maintenance responsibilities, and other factors. The lead agency for the preparation of each agreement and anticipated Parties to the agreements based upon currently requested capacity ownership shown in Table 1, Table 2 and Table 3 are as follows:

Table 5 – Construction, Operations and Maintenance Agreements

Agreement	Lead Agency	Anticipated Parties
Recycled Water Pump Station	JCSD	WRCRWA, Corona, Norco, JCSD, Western MWD, Home Gardens
Northerly Pipeline	JCSD	Corona, JCSD, Western MWD, Home Gardens
Southerly Pipeline	Corona	Corona, Western MWD

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- b. The Construction, Operations and Maintenance Agreements shall include terms and conditions to comprehensively support the implementation and long-term operations of the recycled water facilities. The agreements will also include all financial provisions related to the proportionate reimbursement of project development and project implementation support costs, final construction cost reconciliation, the application of grant funds and eligible SRF financing, and cost allocation related to operations, maintenance, replacement and refurbishment of the facilities, as well as provisions relating to budgeting, accounting, and payment.

**IN WITNESS WHEREOF**, the Parties have agreed to execute this MOU as of the effective date.

Western Riverside County Regional Wastewater Authority

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

City of Corona

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3/29/2023  
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Date

City of Norco

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Jurupa Community Services District

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Date

Home Gardens Sanitary District

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Date

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Western Municipal Water District

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date