

RESOLUTION NO. 2022 – 002

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, ESTABLISHING A CONSTRUCTION CHARGE TO COVER THE PROPORTIONATE SHARE OF CONSTRUCTING THE SEWER LINES AND APPURTENANCES NECESSARY TO CONNECT CERTAIN PRIVATE PROPERTY LOCATED ON RUDELL ROAD AND ONTARIO AVENUE TO THE CITY'S PUBLIC SEWER SYSTEM

WHEREAS, the City of Corona (“City”) provides sanitary sewer collection and treatment services to customers within the City utility service area; and

WHEREAS, the City encourages utility customers to convert existing sewer septic systems to the City sewer collection system to protect groundwater from contamination; and

WHEREAS, pursuant to Corona Municipal Code section 13.12.060 all buildings and structures that are connected to an individual sewer septic system that is no longer sufficient and adequate are required to connect to the City’s sewer collection system if such system is located within 200 feet of the building or structure; and

WHEREAS, City Municipal Code 13.12.100 requires that prior to connecting to the City’s sewer collection system, the person requesting such connection shall pay a construction charge to cover the proportionate cost of constructing the public sewer in the amount, manner, and time of payment established by resolution of the City Council; and

WHEREAS, Corona Municipal Code sections 13.12.100 and 13.14.060 authorize eligible customers; i.e. homeowners of single-family residential properties, non-profit organizations, and industrial customers in good standing with the utility company, that are converting from septic service to City sewer service to enter into payment plans for the payment of the design, project management, construction, and inspection charges; and

WHEREAS, the sewer septic system serving the existing commercial structure located at 7550 Rudell Road (“Subject Parcel”) remains functional, however, the property owner is requesting to connect to City sewer, which is located more than 200 feet from the Subject Parcel; and

WHEREAS, in order to connect the Subject Parcel to the City’s sewer collection system, it is necessary to construct an approximately 1,600-foot extension of the City sewer collection system, consisting of a sewer main line and appurtenances from the existing terminal manhole at the intersection of El Cerrito Road and Ontario Avenue extending northward on Ontario Avenue and then westward on Rudell Road (“Rudell Road Sewer Extension Project”), as well as the sewer service lateral to connect the sewer main line to the Subject Parcel; and

WHEREAS, the Rudell Road Sewer Extension Project will provide a benefit to the Subject Parcel, as well as the fifteen additional single-family residential properties located at 19530 Ontario Avenue, 19520 Ontario Avenue, 7640 Rudell Road, 7636 Rudell Road, 7634 Rudell Road, 7630 Rudell Road, 7626 Rudell Road, 7616 Rudell Road, 7600 Rudell Road, 7588 Rudell Road, 7574 Rudell Road, 7562 Rudell Road, 7530 Rudell Road, 7520 Rudell Road, and 7510 Rudell Road, one commercial property located at 19501 Ontario Avenue, and a church assembly building and residential property located at 7471 Rudell Road which are currently connected to individual sewer septic systems (“Future Benefitted Parcels”); and

WHEREAS, the Subject Parcel and the Future Benefitted Parcels may be individually referred to as “Benefitted Parcel” or collectively as the “Benefitted Parcels” in this Resolution; and

WHEREAS, each of the Benefitted Parcels may now, or in the future, desire or be required to connect to the City’s sewer collection system; and

WHEREAS, pursuant to Corona Municipal Code section 13.12.100, the City Council desires to establish a construction charge for the Rudell Road Sewer Extension Project to be collected prior to connection of a Benefitted Parcel to the City’s sewer collection system; and

WHEREAS, the City Council finds and determines that the construction charge should be established and allocated to each Benefitted Parcel based upon the linear footage of the Rudell Road Sewer Extension Project that is located along the property frontage of each Benefitted Parcel, since such allocation provides a fair, reasonable, and rational formula to apportion the total cost of the Rudell Road Sewer Extension in relation to the benefit received by each Benefitted Parcel; and

WHEREAS, the City Council desires that the amount of the construction charge for the Rudell Road Sewer Extension be imposed and collected based upon the actual Total Cost (defined below) for the Rudell Road Sewer Extension; and

WHEREAS, the City Council desires to authorize the City Manager or his or her designee to enter into payment plans with eligible customers pursuant to Corona Municipal Code sections 13.12.100 and 13.14.060 and to update the amount of the construction charges established herein based upon the Total Costs to construct the Rudell Road Sewer Extension; and

WHEREAS, the construction charges imposed and collected for the Rudell Road Sewer Extension Project pursuant to this Resolution shall be used to reimburse the City of the costs and expenses incurred to construct the Rudell Road Sewer Extension Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF CORONA, CALIFORNIA AS FOLLOWS:

SECTION 1. Findings. The recitals set forth above are hereby adopted as findings in support of this Resolution.

SECTION 2. Construction Charge. Pursuant to Corona Municipal Code section 13.12.100, the City Council hereby establishes and adopts an amount equal to the Total Cost to construct the Rudell Road Sewer Extension Project as the construction charge to be collected from the Benefitted Parcels prior to connection to the City's sewer system ("Construction Charge"). For purposes of this Resolution and calculating the Construction Charge, the "Total Cost" of constructing the Rudell Road Sewer Extension Project shall include, without limitation, all labor materials, tools, equipment, services, and incidental and customary work necessary to plan, engineer, design, environmentally review, permit, site, bid, and construct the Rudell Road Sewer Extension Project, including without limitation, all costs and expenses for the following: engineering, architectural, appraisal, legal, and other consultant services throughout the preconstruction and construction phases; bid preparation and administration services (if necessary), soil, project and other surveying, inspection and testing services; construction and project management services; and all construction and project close out activities.

SECTION 3. Fair Share Allocation of Construction Charge. Pursuant to Corona Municipal Code section 13.12.100, the City Council hereby allocates the Construction Charge to each Benefitted Parcel based upon the percentage of linear footage of the portion of the Rudell Road Sewer Extension Project that is located along the property frontage of each Benefitted Parcel, as compared to the total linear footage of the frontages included in the Rudell Road Sewer Extension Project. The 3 parcels noted in red are two roadway intersections and one parcel which Riverside County is planning to acquire to shift the alignment of Envoy Avenue so that it lines up with Rudell Road as part of their upcoming project to widen Ontario Avenue/Temescal Canyon Road between Cajalco Road and Envoy Avenue. Therefore, these 3 areas are excluded from the fair share cost allocation and their frontage percentages are redistributed to the remaining parcels. Such fair share allocation shall be as follows:

Rudell Road Sewer Main Extension - Estimated Fair Share Allocation of Construction Charge (Including Proposed Improvements from County)						
Benefitted Parcel Address	APN	Frontage Along Sewer (LF)	Fair Share Percentage (%)	Adjustment of Footage	Adjusted Frontage (LF)	Adjusted Fair Share Percentage
19530 Ontario Avenue	277-121-013	65	4%		75.61	4.36%
19520 Ontario Avenue	277-121-012	49	3%		59.61	3.44%
Int. Ontario & Envoy Ave	None	66	4%	43+107+68+35/16	NA	NA
None on File	277-132-001	90	5%		NA	NA
Int. Ontario & Rudell Rd	None	35	2%	10.61	NA	NA
19501 Ontario Avenue - Kim's Auto Repair	277-131-015	280	16%		290.61	16.75%
7640 Rudell Road	277-131-014	60	3%		70.61	4.07%
7636 Rudell Road	277-131-013	63	4%		73.61	4.24%
7634 Rudell Road	277-131-012	61	4%		71.61	4.13%
7630 Rudell Road	277-131-011	62	4%		72.61	4.19%
7626 Rudell Road	277-131-010	65	4%		75.61	4.36%
7616 Rudell Road	277-131-009	65	4%		75.61	4.36%
7600 Rudell Road	277-131-008	64	4%		74.61	4.30%
7588 Rudell Road	277-131-007	65	4%		75.61	4.36%
7574 Rudell Road	277-131-006	65	4%		75.61	4.36%
7562 Rudell Road	277-131-005	65	4%		75.61	4.36%
7550 Rudell Road - New Horizons Elderly Residential Care Facility	277-131-004	119	7%		129.61	7.47%
7530 Rudell Road	277-131-003	76	4%		86.61	4.99%
7520 Rudell Road	277-131-002	69	4%		79.61	4.59%
7510 Rudell Road	277-131-001	61	4%		71.61	4.13%
7471 Rudell Road - Olive Branch Community Church	277-210-004	190	11%		200.61	11.56%
Total		1735	100%	(LF)	1735.00	100.00%

Note: Parcels not included in the Estimate for Fair Share Cost Sharing are noted in red. These parcels currently are or will be public property.

SECTION 4. Estimated Fair Share Construction Charge. Upon completion of the Rudell Road Sewer Extension Project, the City shall: (1) document and determine the actual total Cost of constructing the Rudell Road Sewer Extension; (2) calculate the actual Construction Charge owed by the Benefitted Parcels based upon the fair share percentages provided in Section 3 above; and (3) provide by certified mail such information to the owner(s) of each Benefitted Parcel, as such owner(s) appear on the last secured assessment roll as of the date of mailing. Each Benefitted Parcel shall be obligated to pay its fair share allocation of the actual Construction Charge prior to its connection to the City's sewer system or enter into a payment plan agreement, as provided in Section 7. For informational purposes only, the City has estimated the Total Cost of constructing the Rudell Road Sewer Extension Project to be \$1,000,000, and thus as of the date of this Resolution estimates the fair share of the Construction Charge for each Benefitted Parcel as follows:

Rudell Road Sewer Main Extension - Estimated Fair Share Allocation of Construction Charge (including Proposed Improvements from County)			
Benefitted Parcel Address	APN	Adjusted Fair Share Percentage	Estimated Fair Share Cost
19530 Ontario Avenue	277-121-013	4.36%	\$ 43,579.89
19520 Ontario Avenue	277-121-012	3.44%	\$ 34,357.99
Int. Ontario & Envoy Ave	None	NA	NA
None on File	277-132-001	NA	NA
Int. Ontario & Rudell Rd	None	NA	NA
19501 Ontario Avenue - Kim's Auto Repair	277-131-015	16.75%	\$ 167,499.20
7640 Rudell Road	277-131-014	4.07%	\$ 40,698.05
7636 Rudell Road	277-131-013	4.24%	\$ 42,427.15
7634 Rudell Road	277-131-012	4.13%	\$ 41,274.42
7630 Rudell Road	277-131-011	4.19%	\$ 41,850.78
7626 Rudell Road	277-131-010	4.36%	\$ 43,579.89
7616 Rudell Road	277-131-009	4.36%	\$ 43,579.89
7600 Rudell Road	277-131-008	4.30%	\$ 43,003.52
7588 Rudell Road	277-131-007	4.36%	\$ 43,579.89
7574 Rudell Road	277-131-006	4.36%	\$ 43,579.89
7562 Rudell Road	277-131-005	4.36%	\$ 43,579.89
7550 Rudell Road - New Horizons Elderly Residential Care Facility	277-131-004	7.47%	\$ 74,703.81
7530 Rudell Road	277-131-003	4.99%	\$ 49,919.95
7520 Rudell Road	277-131-002	4.59%	\$ 45,885.37
7510 Rudell Road	277-131-001	4.13%	\$ 41,274.42
7471 Rudell Road - Olive Branch Community Church	277-210-004	11.56%	\$ 115,626.00
Total		100.00%	\$ 1,000,000.00

Note: Parcels not Included in the Estimate for Fair Share Cost Sharing are noted in red. These parcels currently are or will be public property.

SECTION 5. Site Plan for Rudell Road Sewer Extension Project. The site plan showing the proposed Rudell Road Sewer Extension and the Benefitted Parcels is attached hereto as Exhibit A and incorporated herein by reference.

SECTION 6. Construction Cost of Lateral Sewer Line. To the extent that the City

constructs a lateral sewer line to connect the sewer main line to a Benefitted Parcel, the owner of that Benefitted Parcel shall also pay to the City one hundred percent (100%) of the Total Cost (defined above) to construct the lateral sewer line.

SECTION 7. Payment Plan Agreement. As authorized by Corona Municipal Code sections 13.12.100 and 13.14.060, the owner of a Benefitted Parcel, if they are an “eligible customer”, may enter into a payment plan agreement with the City, in substantially the same form attached hereto as Exhibit B and incorporated herein by reference, for the payment of their fair share of the Construction Charge for the Rudell Road Sewer Extension Project and the Total Cost, if any, for the construction of the lateral sewer connection to the Benefitted Parcel, plus interest at the rate of 6 percent (6%) simple interest commencing upon connection of the Benefitted Parcel to the City’s sewer system.

SECTION 8. CEQA Findings. The City Council finds that the adoption of this Resolution is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Adoption of this Resolution is also exempt pursuant to Section 15303(d), which provides that the construction of water main, sewage, electrical, gas, and other utility extensions of reasonable length to serve an adjacent single-family residence are exempt from CEQA. This Resolution simply establishes construction charges to cover the proportionate share of constructing the sewer lines and appurtenances necessary to connect a limited number of single-family residences, commercial businesses, and non-profit organizations located on Rudell Road and on Ontario Avenue to the City’s public sewer system. Construction of the sewer extension will be reviewed as a separate project. Therefore, no further environmental analysis is required for establishment of the construction charges for the Rudell Road Sewer Extension Project.

SECTION 9. Effective Date. This Resolution shall become effective on January 5, 2022.

PASSED, APPROVED AND ADOPTED this 5th day of January, 2022.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted at a regular meeting of the City Council of the City of Corona, California, at a regular meeting thereof held on the 5th day of January, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 5th day of January, 2022.

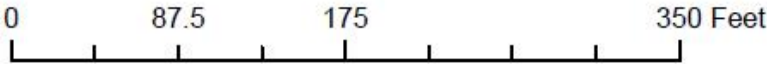
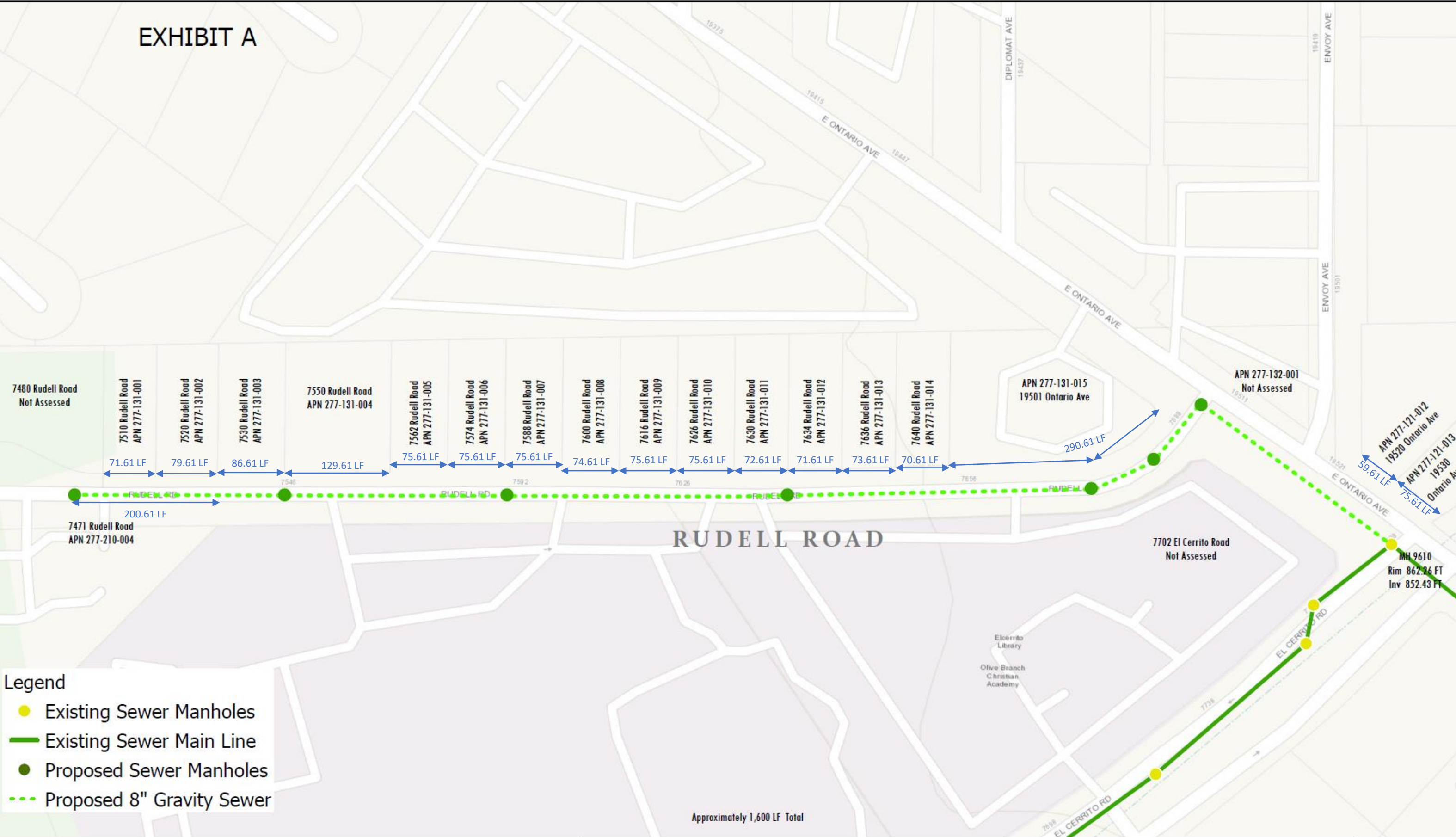
City Clerk of the City of Corona, California

(SEAL)

EXHIBIT A
RUDELL ROAD SEWER EXTENSION PROJECT

SEE ATTACHED 1 PAGE

EXHIBIT A



RUDELL ROAD SEWER EXTENSION PROJECT



EXHIBIT B
PAYMENT PLAN AGREEMENT

SEE ATTACHED 12 PAGES

RECORDED AT REQUEST OF
AND WHEN RECORDED RETURN TO:
City of Corona
400 S. Vicentia Ave
Corona, California 92882
Attn: City Clerk (Utilities Department)

Fee Exempt - Gov't Code §27383

APN: XXX-XXX-XXX

(Space above for Recorder's Use)

**CITY OF CORONA
PAYMENT PLAN AGREEMENT**

**RUDELL ROAD SEWER EXTENSION - CONSTRUCTION CHARGES
(TYPE OF USER USER – ADDRESS)**

1. PARTIES AND DATE.

This Payment Plan Agreement (“Agreement”) is made and entered into this DAY day of MONTH, YEAR (“Effective Date”) by and between the City of Corona, a California municipal corporation (“City”), and Rescare Holdings (“Owner”). City and Owner are at times referred to collectively as “Parties” and individually as “Party” herein.

2. RECITALS.

2.1 Subject Property. The Owner is the record owner of certain real property located at ADDRESS, Corona, California 92881, more particularly described in **Exhibit A** attached hereto and incorporated herein by reference (“Subject Property”). The Subject Property is currently served by an individual sewer septic system and the Owner desires to connect the Subject Property to the City’s sewer collection system.

2.2 Connection Fee/Charge. Corona Municipal Code section 13.12.100 requires that prior to connecting to the City’s sewer system, the person requesting such connection shall pay a construction charge to cover the proportionate cost of constructing the public sewer in the amount, manner, and time of payment established by resolution of the City Council.

2.3 Rudell Road Sewer Extension Project; Construction Charge. The parcel owner at ADDRESS is currently on septic system and would like to discontinue using his system and connect to the public sewerage system. The City’s sewer collection system is located more than 200 feet from such parcel. In order to connect such parcel to the City’s sewer collection system, it is necessary to construct an approximately 1,600-foot extension of the City sewer system, consisting of a sewer main line and appurtenances, from the existing terminal manhole at the intersection of El Cerrito Road and Ontario Avenue and extending northward on Ontario Avenue and then westward on Rudell Road (“Rudell Road Sewer Extension”). Pursuant to Resolution No. 2022-002, the City Council established a Construction Charge (defined below) for the construction

of the Rudell Road Sewer Extension Project equal to the actual Total Cost (as defined in Resolution No. 2022-002) of construction.

2.4 Allocation for Benefitted Parcels. Including the parcel noted above, the Rudell Road Sewer Extension will permit the following eighteen (18) single-family residential properties, commercial properties, and a church assembly building, which are currently connected to individual sewer septic systems, to be connected to the City's sewer system: 19530 Ontario Avenue, 19520 Ontario Avenue, 19501 Ontario Avenue, 7640 Rudell Road, 7636 Rudell Road, 7634 Rudell Road, 7630 Rudell Road, 7626 Rudell Road, 7616 Rudell Road, 7600 Rudell Road, 7588 Rudell Road, 7574 Rudell Road, 7562 Rudell Road, 7550 Rudell Road, 7530 Rudell Road, 7520 Rudell Road, 7510 Rudell Road, and 7471 Rudell Road ("Benefitted Parcels"). Pursuant to Resolution No. 2022-002, the City Council has allocated the construction charge on a proportional basis to the Benefitted Parcels based upon the percentage of linear footage of the portion of the Rudell Road Sewer Extension that is located along the property frontage of each Benefitted Parcel compared to the total linear footage of the Rudell Road Sewer Extension.

2.5 Optional Sewer Lateral. In addition to the Rudell Road Sewer Extension, it is necessary to construct a lateral sewer line to connect the sewer main line to the Subject Property. If the Owner wishes to have the City construct such sewer lateral, this Agreement shall also obligate Owner to pay the actual Total Cost incurred by the City to construct said lateral sewer line, as provided further herein.

2.6 Payment Agreement. Pursuant to Section 13.12.100 and Resolution No. 2022-002, the construction charge for the Rudell Road Sewer Extension Project and, if applicable, the Total Cost of the lateral sewer line connecting the sewer main line to the Subject Property, may be paid pursuant to this payment plan agreement entered into by the Owner and the City.

3. AGREEMENT.

3.1 Incorporation of Recitals & Resolution No. 2022-002. The Parties acknowledge that the above recitals are true and correct, and incorporate those recitals by reference into this Agreement. The Parties also acknowledge that Corona City Council Resolution No. 2022-002 is incorporated herein by reference.

3.2 Construction Charge. Pursuant to Resolution No. 2022-002, the City has established a construction charge equal to the Total Cost (as defined in Resolution No. 2022-002) to construct the Rudell Road Sewer Extension Project to be collected from the Benefitted Parcels, including the Subject Property, prior to connection to the City's sewer system ("Construction Charge"). The Construction Charge is allocated to the Benefitted Parcels based upon the percentage of linear footage of the portion of the Rudell Road Sewer Extension Project that is located along the property frontage of each Benefitted Parcel, as compared to the total linear footage of the Rudell Road Sewer Extension Project.

3.2.1 Allocation of Construction Charge for Subject Property. Pursuant to Resolution No. 2022-002, the fair share percentage allocated to the Subject Property is PERCENTAGE IN WORDS (PERCENTAGE IN NUMBERS%).

3.2.2 Estimated Construction Charge; Financed Construction Charge. For informational purposes only, the City has estimated the Total Cost of constructing the Rudell Road Sewer Extension to be one million dollars and no cents (\$1,000,000), and thus as of the Effective Date estimates that the fair share of the Construction Charge for the Subject Property is TOTAL COST IN WORDS (\$TOTAL COST IN NUMBERS) (“Estimated Construction Charge”). Upon completion of the Rudell Road Sewer Extension and the Lateral Line, the City shall: (1) document and determine the actual Total Cost of constructing the Rudell Road Sewer Extension; (2) calculate the actual Construction Charge owed by the Owner for the Subject Property based upon the fair share percentages provided in Section 2.2.1 above (“Financed Construction Charge”); and (3) provide by certified mail such information to the Owner.

3.3. Requested Lateral Sewer Line - Cost. At the request of Owner, City shall construct a lateral sewer line to connect the Subject Property to the sewer main line that will be constructed as part of the Rudell Road Sewer Extension Project (“Lateral Line”). Owner agrees to pay one hundred percent (100%) of the actual Total Cost (as defined in Resolution No. 2022-002) to construct the Lateral Line (“Actual Lateral Line Cost”). For informational purposes only, the current estimated Lateral Line Cost, based upon the City’s most recent engineering estimates and other reasonably available data, is Twelve Thousand Dollars (\$12,000) (“Estimated Lateral Line Cost”).

3.4. Total Principal Obligation. The terms “Financed Construction Charge” and, if applicable, “Actual Lateral Line Cost” shall hereafter be collectively referred to as the “Total Principal Obligation” throughout this Agreement.

3.5 Monthly Payment Schedule. In lieu of paying the Total Principal Obligation in one lump-sum payment, Owner agrees to pay the Total Principal Obligation, plus six percent (6%) simple interest, in monthly installments (“Monthly Payment”) for a period of sixty (60) months in the amounts specified in the amortization schedule set forth in **Exhibit B** attached hereto and incorporated herein by reference (“Amortization Schedule”). Each Monthly Payment shall be due and payable in immediately available funds on or before fifth (5th) day of each month commencing with the first full month following completion of the Rudell Road Sewer Extension Project and the Lateral Line.

3.5.1 Estimated Total Principal Obligation; Updated Amortization Schedule. The Parties acknowledge that the Amortization Schedule is based upon the Estimated Construction Charge and the Estimated Lateral Line Cost. Once the Financed Construction Charge and the Actual Lateral Line Cost are determined pursuant to Sections 3.2.2 and 3.3 of this Agreement, the Parties agree that the Amortization Schedule will be updated accordingly to reflect the Total Principal Obligation, Owner shall sign such updated Amortization Schedule, and said updated Amortization Schedule shall be automatically incorporated into this Agreement by reference without an amendment to this Agreement.

3.6 Non-Transferable. Owner understands and agrees that the connection rights supplied by the City are not transferable and shall remain with the Subject Property, and that

neither Owner nor any other person or party shall be entitled to a refund of any amounts paid under this Agreement, for any reason.

3.7 Discontinuation of Sewer/Water Service. If an Event of Default occurs, including failure to timely make any required Monthly Payment, Owner understands, acknowledges and agrees that City reserves the right to discontinue water service to the Subject Property to the extent authorized by applicable law. City shall have the right to completely discontinue water service to the Subject Property until the unpaid balance has been paid in full and shall not be required to provide limited service according to a pro rata formula. Owner expressly waives any and all rights it may have under any uniform codes (including, but not limited to, the California Building Code), or under any other applicable law(s), to receive sewer and/or water service, except in compliance with this Agreement and to the extent authorized by applicable law.

3.8 Contractual Lien. Owner further agrees for itself, its heirs, successors, and assigns, that effective upon the execution of this Agreement, City shall have a lien upon the Subject Property to guarantee the full and timely performance by Owner of its obligations under this Agreement. The lien upon the Subject Property shall be in an amount equal to the unpaid portion of the Total Principal Obligation, plus any accrued interest and any costs incurred by the City to enforce this Agreement. Such lien may be enforced in the manner provided by law. This lien is in addition to any rights or remedies which the City may have which may arise by operation of any applicable law, including, without implied limitation, the Corona Municipal Code. The lien created pursuant to this Agreement shall occupy a priority position against the Subject Property senior to all other non-statutory monetary liens and encumbrances against the Subject Property, except to the extent that Owner lacks the right to grant the lien priority over other liens and encumbrances against the Subject Property existing as of the date of this Agreement.

3.9 Recordation and Enforcement. City may record this Agreement in the official records of the County of Riverside, and may take such action in law, equity, or otherwise, as City deems necessary to enforce the provisions of this Agreement, including but not limited to actions for injunctive relief. This Agreement shall run with the land. The obligations of and the lien created by this Agreement shall run with the Subject Property, and the requirements imposed by this Agreement shall bind the heirs, successors and assigns of Owner as owner of the Subject Property until satisfied in full. Owner further agrees and acknowledges the City may take such measures as it deems necessary to collect the Total Principal Obligation in the event of nonpayment, including tendering the debt to a collection agency and/or initiating legal action for collection.

3.10 Attorneys' Fees. If any legal action, or any arbitration or other proceeding is initiated for the enforcement of this Agreement or because of any alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees, witness fees and other costs incurred in that action or proceeding, in addition to any other relief to which it may be entitled.

3.11 Indemnity. Owner shall indemnify, defend and hold harmless City, its elected officials, board members, officers, agents, employees and authorized volunteers from and against any and all claims, damages, demands, liability, costs, losses and expenses, including, without limitation, court costs, reasonable attorneys' fees, and expert witness fees, arising out of, in connection with or in any way related to the negligence or misconduct of Owner relating to this

Agreement, including but not limited to any breach of this Agreement by Owner, and including, without limitation, all costs of collection, including attorneys' fees and all costs of suit, in the event any payment required under this Agreement is not made when due.

3.12 Term. This Agreement shall be in full force and effect from the Effective Date and shall continue in full force and effect until Owner has paid all money due to City hereunder.

3.13. Events of Default. Upon the occurrence of any of the events listed below, an "Event of Default" shall be deemed to have occurred and City may, at City's option, without prior notice, (i) declare the then-unpaid principal amount of the Total Principal Obligation, plus any accrued interest (collectively, the "Payment Amount") to be immediately due and payable, and the same shall immediately become due and payable; and (ii) exercise all rights and remedies provided in this Agreement:

3.13.1 Owner shall fail to make any payment under this Agreement when due or within ten (10) days following written notice of such failure from City; or

3.13.2 There shall occur any breach of this Agreement by Owner; or

3.13.3 Owner shall (i) become insolvent or unable to pay Owner's debts generally as they mature, (ii) make a general assignment for the benefit of creditors, (iii) admit in writing Owner's inability to pay Owner's debts generally as they mature, (iv) file or have filed against it a petition in bankruptcy or a petition or answer seeking a reorganization, arrangement with creditors or other similar relief under the Federal bankruptcy laws or under any other applicable law of the United States of America or any state thereof, or (v) consent to the appointment of a trustee or receiver for it or for a substantial part of the Subject Property; or

3.13.4 Any order, judgment or decree shall be entered appointing, without Owner's consent, a trustee or receiver for it or for a substantial part of the Subject Property that is not removed within sixty (60) days from such entry; or

3.13.5 A judgment against Owner for the payment of money totaling in excess of \$10,000 shall be outstanding for a period of sixty (60) days without a stay of execution thereof; or

3.13.6 The holder of any senior or junior encumbrance on the personal property collateral encumbered by this Agreement shall institute foreclosure or other proceedings for the enforcement of its remedies thereunder; or

3.13.7 Owner permits or suffers Owner's leasehold or other interest in the Subject Property to be divested, sold, transferred, terminated or otherwise conveyed, whether voluntarily or involuntarily. This provision shall apply to each and every sale, transfer or conveyance, regardless of whether or not City has consented to, or waived, City's right hereunder, whether by action or nonaction, in connection with any previous sale, transfer, or conveyance, whether one or more.

Notwithstanding the above, in the event of an actual or deemed entry of an order for relief with respect to Owner under the United States Bankruptcy Code, this Agreement and all

interest and other amounts due hereon shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by Owner. City may exercise its option to accelerate after any Event of Default, regardless of any prior forbearance.

3.14. Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.15. Modification. This Agreement may be modified only in writing, signed by both Parties.

3.16. Notice. Written notice, whenever required by this Agreement, shall become effective upon personal service or deposit in the United States mail, postage prepaid, addressed to the following:

CITY:
City of Corona
755 Public Safety Way
Corona, CA 92880
Attn: Tom Moody, General Manager
Utilities Department

OWNER:
NAME
ADDRESS
Corona, CA 92881

3.17. Venue. This Agreement shall be interpreted according to the laws of the State of California. Venue shall be in Riverside County, California.

3.18. Counterparts. This Agreement may be executed in counterparts, all of which, taken together, shall be deemed one original.

3.19. Corona Utility Authority. Owner understands that the City has entered into a Water Enterprise Management Agreement and a Wastewater Enterprise Management Agreement, both dated as of February 6, 2002, with the Corona Utility Authority ('CUA') for the maintenance, management and operation of those utility systems (collectively, the 'CUA Management Agreements'). To the extent that this Agreement is deemed to be a "material contract" under either of the CUA Management Agreements, the following provisions shall apply: (1) City enters into this Agreement on behalf of the CUA and subject to the terms of the applicable CUA Management Agreement(s); and (2) Owner has no right to terminate this Agreement, either with or without cause, based upon the existence or non-existence of either or both of the CUA Management Agreements. Therefore, if an applicable CUA Management Agreement expires or terminates for any reason, Owner shall remain fully obligated to perform under this Agreement on behalf of the CUA or another third party contracted by the CUA for the maintenance, management and operation of the applicable utility system. In recognition of the foregoing, the parties hereto have executed this Payment Plan Agreement for Construction Charges to Connect to City's Sewer System the day and year first stated above.

[SIGNATURES ON NEXT TWO PAGES]

CITY SIGNATURE PAGE TO
CITY OF CORONA
PAYMENT PLAN AGREEMENT

RUDELL ROAD SEWER EXTENSION - CONSTRUCTION CHARGES
(TYPE OF USER USER – ADDRESS)

CITY OF CORONA

By: _____
Tom Moody
General Manager

Approved as to Form:

By: _____
Dean Derleth
City Attorney

OWNER SIGNATURE PAGE TO

**CITY OF CORONA
PAYMENT PLAN AGREEMENT**

**RUDELL ROAD SEWER EXTENSION - CONSTRUCTION CHARGES
(TYPE OF USER USER – ADDRESS)**

NAME

By: _____
Signature

Name (Print)

Title (Print)

NAME

By: _____
Signature

Name (Print)

Title (Print)

EXHIBIT A

LEGAL DESCRIPTION/DEPICTION OF SUBJECT PROPERTY

[SEE ATTACHED ONE (1) PAGE]



(951) 736-2261
(951) 279-3661

PUBLIC WORKS DEPARTMENT

400 SOUTH VICENTIA AVENUE, P.O. BOX 940, CORONA, CALIFORNIA 92879-0940
CITY HALL - ON LINE ALL THE TIME (<http://www.discovercorona.com>)

Legal Description/Depiction of Subject Property

WRITE IN LEGAL DESCRIPTION OF PROPERTY PER TITLE RECORDS

EXHIBIT B

AMORTIZATION SCHEDULE

[SEE ATTACHED ONE (1) PAGE]

Amortization Schedule

Loan Amount \$29,752.94
Annual Interest Rate 6.0%
Loan Period in Months 60
Payments \$575.21

Payment Plan Agreement Exhibit "B"

PMT No.	Beginning Balance	Payment	Principal	Interest	Cumulative Principal	Cumulative Interest	Ending Balance
1	\$29,752.94	\$575.21	\$426.45	\$148.76	\$426.45	\$148.76	\$29,326.49
2	\$29,326.49	\$575.21	\$428.58	\$146.63	\$855.03	\$295.39	\$28,897.91
3	\$28,897.91	\$575.21	\$430.72	\$144.49	\$1,285.75	\$439.88	\$28,467.19
4	\$28,467.19	\$575.21	\$432.87	\$142.34	\$1,718.62	\$582.22	\$28,034.32
5	\$28,034.32	\$575.21	\$435.04	\$140.17	\$2,153.66	\$722.39	\$27,599.28
6	\$27,599.28	\$575.21	\$437.21	\$138.00	\$2,590.87	\$860.39	\$27,162.07
7	\$27,162.07	\$575.21	\$439.40	\$135.81	\$3,030.27	\$996.20	\$26,722.67
8	\$26,722.67	\$575.21	\$441.60	\$133.61	\$3,471.87	\$1,129.81	\$26,281.07
9	\$26,281.07	\$575.21	\$443.80	\$131.41	\$3,915.67	\$1,261.22	\$25,837.27
10	\$25,837.27	\$575.21	\$446.02	\$129.19	\$4,361.69	\$1,390.41	\$25,391.25
11	\$25,391.25	\$575.21	\$448.25	\$126.96	\$4,809.94	\$1,517.37	\$24,943.00
12	\$24,943.00	\$575.21	\$450.49	\$124.72	\$5,260.43	\$1,642.09	\$24,492.51
13	\$24,492.51	\$575.21	\$452.75	\$122.46	\$5,713.18	\$1,764.55	\$24,039.76
14	\$24,039.76	\$575.21	\$455.01	\$120.20	\$6,168.19	\$1,884.75	\$23,584.75
15	\$23,584.75	\$575.21	\$457.29	\$117.92	\$6,625.48	\$2,002.67	\$23,127.46
16	\$23,127.46	\$575.21	\$459.57	\$115.64	\$7,085.05	\$2,118.31	\$22,667.89
17	\$22,667.89	\$575.21	\$461.87	\$113.34	\$7,546.92	\$2,231.65	\$22,206.02
18	\$22,206.02	\$575.21	\$464.18	\$111.03	\$8,011.10	\$2,342.68	\$21,741.84
19	\$21,741.84	\$575.21	\$466.50	\$108.71	\$8,477.60	\$2,451.39	\$21,275.34
20	\$21,275.34	\$575.21	\$468.83	\$106.38	\$8,946.43	\$2,557.77	\$20,806.51
21	\$20,806.51	\$575.21	\$471.18	\$104.03	\$9,417.61	\$2,661.80	\$20,335.33
22	\$20,335.33	\$575.21	\$473.53	\$101.68	\$9,891.14	\$2,763.48	\$19,861.80
23	\$19,861.80	\$575.21	\$475.90	\$99.31	\$10,367.04	\$2,862.79	\$19,385.90
24	\$19,385.90	\$575.21	\$478.28	\$96.93	\$10,845.32	\$2,959.72	\$18,907.62
25	\$18,907.62	\$575.21	\$480.67	\$94.54	\$11,325.99	\$3,054.26	\$18,426.95
26	\$18,426.95	\$575.21	\$483.08	\$92.13	\$11,809.07	\$3,146.39	\$17,943.87
27	\$17,943.87	\$575.21	\$485.49	\$89.71	\$12,294.56	\$3,236.11	\$17,458.38
28	\$17,458.38	\$575.21	\$487.92	\$87.29	\$12,782.48	\$3,323.40	\$16,970.46
29	\$16,970.46	\$575.21	\$490.36	\$84.85	\$13,272.84	\$3,408.25	\$16,480.10
30	\$16,480.10	\$575.21	\$492.81	\$82.40	\$13,765.65	\$3,490.65	\$15,987.29
31	\$15,987.29	\$575.21	\$495.27	\$79.94	\$14,260.92	\$3,570.59	\$15,492.02
32	\$15,492.02	\$575.21	\$497.75	\$77.46	\$14,758.67	\$3,648.05	\$14,994.27
33	\$14,994.27	\$575.21	\$500.24	\$74.97	\$15,258.91	\$3,723.02	\$14,494.03
34	\$14,494.03	\$575.21	\$502.74	\$72.47	\$15,761.65	\$3,795.49	\$13,991.29
35	\$13,991.29	\$575.21	\$505.25	\$69.96	\$16,266.90	\$3,865.45	\$13,486.04
36	\$13,486.04	\$575.21	\$507.78	\$67.43	\$16,774.68	\$3,932.88	\$12,978.26
37	\$12,978.26	\$575.21	\$510.32	\$64.89	\$17,285.00	\$3,997.77	\$12,467.94
38	\$12,467.94	\$575.21	\$512.87	\$62.34	\$17,797.87	\$4,060.11	\$11,955.07
39	\$11,955.07	\$575.21	\$515.43	\$59.78	\$18,313.30	\$4,119.89	\$11,439.64
40	\$11,439.64	\$575.21	\$518.01	\$57.20	\$18,831.31	\$4,177.09	\$10,921.63
41	\$10,921.63	\$575.21	\$520.60	\$54.61	\$19,351.91	\$4,231.70	\$10,401.03
42	\$10,401.03	\$575.21	\$523.20	\$52.01	\$19,875.11	\$4,283.71	\$9,877.83
43	\$9,877.83	\$575.21	\$525.82	\$49.39	\$20,400.93	\$4,333.10	\$9,352.01
44	\$9,352.01	\$575.21	\$528.45	\$46.76	\$20,929.38	\$4,379.86	\$8,823.56
45	\$8,823.56	\$575.21	\$531.09	\$44.12	\$21,460.47	\$4,423.98	\$8,292.47
46	\$8,292.47	\$575.21	\$533.75	\$41.46	\$21,994.22	\$4,465.44	\$7,758.72
47	\$7,758.72	\$575.21	\$536.42	\$38.79	\$22,530.64	\$4,504.23	\$7,222.30
48	\$7,222.30	\$575.21	\$539.10	\$36.11	\$23,069.74	\$4,540.34	\$6,683.20
49	\$6,683.20	\$575.21	\$541.79	\$33.42	\$23,611.53	\$4,573.76	\$6,141.41
50	\$6,141.41	\$575.21	\$544.50	\$30.71	\$24,156.03	\$4,604.47	\$5,596.91
51	\$5,596.91	\$575.21	\$547.23	\$27.98	\$24,703.26	\$4,632.45	\$5,049.68
52	\$5,049.68	\$575.21	\$549.96	\$25.25	\$25,253.22	\$4,657.70	\$4,499.72
53	\$4,499.72	\$575.21	\$552.71	\$22.50	\$25,805.93	\$4,680.20	\$3,947.01
54	\$3,947.01	\$575.21	\$555.47	\$19.74	\$26,361.40	\$4,699.94	\$3,391.54
55	\$3,391.54	\$575.21	\$558.25	\$16.96	\$26,919.65	\$4,716.90	\$2,833.29
56	\$2,833.29	\$575.21	\$561.04	\$14.17	\$27,480.69	\$4,731.07	\$2,272.25
57	\$2,272.25	\$575.21	\$563.85	\$11.36	\$28,044.54	\$4,742.43	\$1,708.40
58	\$1,708.40	\$575.21	\$566.67	\$8.54	\$28,611.21	\$4,750.97	\$1,141.73
59	\$1,141.73	\$575.21	\$569.50	\$5.71	\$29,180.71	\$4,756.68	\$572.23
60	\$572.23	\$575.21	\$572.35	\$2.86	\$29,753.06	\$4,759.54	-\$0.12
		\$34,512.60	\$29,753.06	\$4,759.54			