



Chino Hills · Diamond Bar · Industry

**TRES HERMANOS CONSERVATION AUTHORITY
BOARD OF DIRECTORS SPECIAL MEETING**

**WEDNESDAY, JUNE 19, 2024, AGENDA
6:00 P.M.**

**CITY OF CHINO HILLS - COUNCIL CHAMBERS
14000 CITY CENTER DRIVE
CHINO HILLS, CALIFORNIA**

**BOARD DIRECTORS
CHAIR, PETER ROGERS
VICE-CHAIR, CORY MOSS
DIRECTOR, ANDREW CHOU
DIRECTOR, STAN LIU
DIRECTOR, CYNTHIA MORAN
DIRECTOR, MARK RADECKI
ALTERNATE DIRECTOR, NEWELL RUGGLES**

This agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda unless the Board of Directors makes a determination that an emergency exists or that a need to take immediate action on the item came to the attention of the City subsequent to the posting of the agenda. The Secretary of the Board has on file copies of written documentation relating to each item of business on this Agenda available for public inspection in the Office of the Chino Hills City Clerk, in the public binder located at the entrance to the Council Chambers while the meeting is in session, and on the Authority's website at www.treshermanos.org. Materials related to an item on this Agenda submitted to the Directors after distribution of the agenda packet are available for public inspection in the Office of the Chino Hills City Clerk at 14000 City Center Drive, Chino Hills, CA during normal business hours.

Speaker Cards - Those persons wishing to address the Directors on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Authority Secretary a "Request to Speak" card available at the entrance to the City Council Chambers. In accordance with the Public Records Act any information you provide on this form is available to the public. **You are not required to provide personal information in order to speak, except to the extent necessary for the Secretary of the Board to call upon you.** Comments will be limited to five minutes per speaker.

Emails and documents submitted will be considered a public document subject to posting on the City's website and are subject to the Public Records Act.

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in the Board meeting, please contact the Authority Secretary, (909) 364-2620, at least 48 hours prior to the meeting to enable the Authority to make reasonable arrangements. [Click here](#) to view the Reasonable Accommodations Policy for The Tres Hermanos Conservation Authority Brown Act Meetings or contact the City Clerk's office to obtain a copy.

PLEASE SILENCE ALL ELECTRONIC DEVICES WHILE BOARD IS IN SESSION. Thank you.

CALL TO ORDER / ROLL CALL

PLEDGE OF ALLEGIANCE

1. **PUBLIC COMMENTS:** At this time members of the public may address the Authority regarding any items within the subject matter jurisdiction of the Authority provided NO action or discussion may be taken on any item not appearing on the agenda, except the Authority may BRIEFLY respond to statements made or questions posed. **Comments are limited to five minutes per Speaker.**

CONSENT CALENDAR:

2. Approve March 13 and May 8, 2024 Regular Meeting Minutes, respectively
3. Receive and file Payment Registers for months ended February 29, March 31, and April 30, 2024
4. Receive and file Treasurer's Reports for months ended February 29, March 31, and April 30, 2024
5. Adopt resolution amending records retention schedule, authorizing destruction of certain Authority records and repealing Resolution No. THCA 2021-04
6. Authorize execution of three-year agreement with Industry Security Services, Inc., in amount estimated at \$55,000 per year for total contract amount not-to-exceed \$165,000 to provide security services at Tres Hermanos Ranch

OLD BUSINESS:

There is none.

NEW BUSINESS:

There is none.

AUTHORITY DIRECTOR COMMENTS:

ADJOURNMENT: The next regular Tres Hermanos Conservation Authority meeting will be Wednesday, July 10, 2024 at 6:00 p.m.

TRES HERMANOS CONSERVATION AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING MINUTES
CHINO HILLS, CALIFORNIA
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CALL TO ORDER

The Regular Meeting of the Tres Hermanos Conservation Authority was called to order by Chair Rogers at 6:00 p.m. in the City of Chino Hills Council Chambers, City Hall.

ROLL CALL:

Directors in attendance: Peter Rogers, Chair
Cory Moss, Vice-Chair
Andrew Chou, Director
Stan Liu, Director (Arrived at 6:02 p.m.)
Cynthia Moran, Director
Cory Moss, Director
Mark Radecki, Director

Directors absent: Cathy Marcucci, Director

Staff in attendance: Benjamin Montgomery, Executive Director
Tracy Egoscue, General Counsel
Dan Fox, Administrative Director
Joshua Nelson, Deputy Executive Director
Christa Buhagiar, Treasurer
Cheryl Balz, Authority Secretary
Jessica Contreras, Deputy City Clerk II

Staff absent: None

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Vice-Chair Moss.

1. PUBLIC COMMENTS: There were none.

CONSENT CALENDAR:

2. MINUTES OF JANUARY 10, 2024, REGULAR MEETING

RECOMMENDED ACTION: That the Authority approve the January 10, 2024, regular Tres Hermanos Authority meeting minutes.

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3. PAYMENT REGISTER

RECOMMENDED ACTION: That the Authority receive and file the Payment Registers for the months ended December 31, 2023, and January 31, 2024.

4. TREASURER'S REPORT

RECOMMENDED ACTION: That the Authority receive and file the Treasurer's Reports for the months ended December 31, 2023, and January 31, 2024.

5. CERTIFIED PUBLIC ACCOUNT APPOINTMENT

RECOMMENDED ACTION: That the Authority appoint Lance, Soll & Lunghard, LLP, as the Certified Public Accountants to provide financial auditing services for the Fiscal Year 2023-24 audit.

6. AGREEMENT AMENDMENT - ENGINEERING AND FIELD OPERATION MANAGEMENT SERVICES

RECOMMENDED ACTION: That the Authority authorize the execution of Amendment No. 2 to Agreement No. THCA20-002 with C & C Engineering, Inc. increasing the total not-to-exceed amount from \$118,600 to \$200,000 and extending the agreement term to December 31, 2025.

7. STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2024-25

RECOMMENDED ACTION: That the Authority adopt **Resolution No. THCA 2024-01** entitled: "*A Resolution of the Board of Directors of the Tres Hermanos Conservation Authority, Adopting the Statement of Investment Policy for Fiscal Year 2024-25.*"

A motion was made by Vice Chair Moss and seconded by Director Radecki to approve the Consent Calendar as presented.

Motion carried by electronic vote 6-0-1 as follows:

AYES:	DIRECTORS:	CHOU, LIU, MORAN, RADECKI, VICE-CHAIR MOSS, CHAIR ROGERS
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	MARCUCCI
ABSTAIN:	DIRECTORS:	NONE

OLD BUSINESS: There was none.

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NEW BUSINESS:

8. FISCAL YEAR 2024-25 BUDGET ADOPTION

Treasurer Buhagiar briefed the Board on the staff report and provided a PowerPoint Presentation, which are on file at the City of Chino Hills City Clerk's office.

Following discussion, a motion was made by Director Moran and seconded by Vice-Chair Moss to adopt **Resolution No. THCA 2024-02** of the Board of Directors of the Tres Hermanos Conservation Authority, Adopting a Budget for Fiscal Year 2024-25.

Motion carried by electronic vote 6-0-1 as follows:

AYES:	DIRECTORS:	CHOU, LIU, MORAN, RADECKI, VICE-CHAIR MOSS, CHAIR ROGERS
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	MARCUCCI
ABSTAIN:	DIRECTORS:	NONE

9. TRES HERMANOS RANCH PUBLIC ACCESS TOURS

Executive Director Montgomery briefed the Board on staff report and provided a PowerPoint presentation, which are on file at the City of Chino Hills City Clerk's office.

Director Montgomery stated that 98 members of the public were able to participate in four free chaperoned tours of the Tres Hermanos Ranch (Ranch) and over 400 individuals expressed interest in the tour. He added that those individuals were placed on a waitlist and would be issued invitations first for future tours.

He stated that at the previous tours, the public checked in at Diamond Bar Center and were shuttled to three sites that lasted 1.5 hours. The event was staffed and planned by employees from Chino Hills, Diamond Bar, and Industry with two volunteers who served as tour docents and added that subsequent tours will be structured similarly. He noted that the first tour secured shuttle transportation that were able to drive on the different terrain roads. Expenses entailed were over \$3,500 and were directly charged to the Authority for the event. The charges that were not incurred by the Authority were all the efforts done by member cities such as website design, event registration, transportation contract, event planning, handouts, roadwork repair by Chino Hills Public Works staff, event staging, security, and post-event clean-up. Executive Director Montgomery requested that one additional Ranch tour be conducted in Fiscal Year 2023-24 and two additional tours in Fiscal Year 2024-25.

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He requested that the Board authorize reimbursement to cities for direct staff costs associated and outlined the budget that includes: two shuttles at \$3,000; giveaways \$1,000; event materials for displays \$1,000; and staffing \$10,000 with the grand total of \$15,000. The total reflected would be for each Ranch tour to cover direct costs and staffing.

Administrative Director Fox stated that there are 400 individuals on the waitlist so they would not do any additional advertising.

Jim Gallagher, resident, spoke on how informative the Ranch tour was. He suggested that for future tours stop three include more discussion about the wildlife on the property. Lastly, he thanked all for making the Ranch tour successful.

Director Chou asked where the funding would come from in the budget. Treasurer Buhagiar responded that it will come from Contractual Services funding.

Director Liu commented that it would be nice if the Board Directors could participate in future tours.

Following discussion, a motion was made by Vice-Chair Moss and seconded by Director Liu to authorize Tres Hermanos Conservation Authority staff to conduct three additional public access tours of the Tres Hermanos Ranch.

Motion carried by electronic vote 6-0-1 as follows:

AYES:	DIRECTORS:	CHOU, LIU, MORAN, RADECKI, VICE-CHAIR MOSS, CHAIR ROGERS
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	MARCUCCI
ABSTAIN:	DIRECTORS:	NONE

AUTHORITY DIRECTOR COMMENTS:

Executive Director Montgomery stated that the Closed Session item on the agenda, Conference with Real Property Negotiators pursuant to Government Code Section 54956.8 for price and terms for residential rental agreement THCA20-001 at Tres Hermanos Conservation Authority Ranch (APN 1000-031-15); Cherie Wood and Adam Chase, Negotiators, and Executive Director Benjamin Montgomery and Deputy Executive Director Joshua Nelson, Authority Negotiators, would not be heard this evening because it is important to have all Directors in attendance and stated that it will be placed on a future agenda.

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ADJOURNMENT: There being no further business, Chair Rogers adjourned the Tres Hermanos Conservation Authority Regular Meeting at 6:23 p.m.

PETER ROGERS
CHAIR

CHERYL BALZ
AUTHORITY SECRETARY

DRAFT

TRES HERMANOS CONSERVATION AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING MINUTES
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The Regular Meeting of the Tres Hermanos Conservation Authority of May 8, 2024 was cancelled due to a lack of quorum.

PETER ROGERS
CHAIR

CHERYL BALZ
AUTHORITY SECRETARY

DRAFT



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Date: June 19, 2024
To: Chair and Board of Directors
From: Benjamin Montgomery, Executive Director
Subject: Payment Register

Recommendation:

Receive and file the payment registers for February 2024, March 2024, and April 2024.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.2 Disbursements, the warrants and wire transfers of the Authority should be periodically reviewed by the Board.

Attached for your review are the payment registers for February 2024, March 2024, and April 2024. These payments may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.

Respectfully Submitted,

Recommended By:

A handwritten signature in blue ink that reads "Ben Montgomery".

Benjamin Montgomery
Executive Director

A handwritten signature in blue ink that reads "Christa Buhagiar".

Christa Buhagiar
Treasurer

Attachments Payment Register - February 2024
Payment Register - March 2024
Payment Register - April 2024

Tres Hermanos Conservation Authority

Payment Register

From 2/1/2024 to 2/29/2024

#	DATE	VENDOR NAME	CONTRACT/ PO#	DESCRIPTION	RETENTION	INVOICE AMT
5256	2/14/2024	DIAMOND ENVIRONMENTAL SERVICES	THCA23-003	DIAMOND/RESTROOM RENT/01/29/24-2/25/24		\$106.78
TOTAL						\$106.78
5257	2/14/2024	EGOSCUE LAW GROUP, INC.	THCA19-004	EGOSCUE/LLEGAL/NOV23		\$700.00
	2/14/2024	EGOSCUE LAW GROUP, INC.	THCA19-004	EGOSCUE/LLEGAL/JAN24		\$350.00
TOTAL						\$1,050.00
5258	2/14/2024	JANUS PEST MANAGEMENT, INC.	THCA22-006	JANUS/PEST/JAN24		\$75.00
TOTAL						\$75.00
5259	2/21/2024	CITY OF CHINO HILLS		CH/STAFFTIME/DEC23		\$215.02
TOTAL						\$215.02
5260	2/28/2024	C & C ENGINEERING, INC.	THCA20-002	CNC/FIELDMGMT/JAN24		\$4,750.00
TOTAL						\$4,750.00
5261	2/28/2024	CITY OF CHINO HILLS		CH/WATER/01/17/24-02/14/24		\$225.28
TOTAL						\$225.28
TOTAL						\$6,422.08

Note: The payments above may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.

Tres Hermanos Conservation Authority

Payment Register

From 3/1/2024 to 3/31/2024

#	DATE	VENDOR NAME	CONTRACT/ PO#	DESCRIPTION	RETENTION	INVOICE AMT
5262	3/6/2024	CITY OF CHINO HILLS		CH/STAFF TIME/JAN24		\$153.59
					TOTAL	\$153.59
5263	3/13/2024	DIAMOND ENVIRONMENTAL SERVICES	THCA23-003	DIAMOND/RESTROOM RENT/02.26.24-03.24.24		\$106.78
					TOTAL	\$106.78
5264	3/20/2024	C & C ENGINEERING, INC.	THCA20-002	CNC/FIELDMGMT/FEB24		\$3,462.50
					TOTAL	\$3,462.50
5265	3/20/2024	INDUSTRY SECURITY SERVICES, INC		INDSTY/SECURITYSRVCS/FEB24		\$3,689.40
	3/20/2024	INDUSTRY SECURITY SERVICES, INC		INDSTY/SECURITYSRVCS/JAN24		\$4,024.80
					TOTAL	\$7,714.20
5266	3/20/2024	JANUS PEST MANAGEMENT, INC.	THCA22-006	JANUS/PEST/FEB24		\$210.00
					TOTAL	\$210.00
5267	3/27/2024	CITY OF CHINO HILLS		CH/WATER/02/14/24-03/13/24		\$208.56
					TOTAL	\$208.56
5268	3/27/2024	KEENAN & ASSOCIATES		PROP INS/MAR24'-25"		\$14,791.41
	3/27/2024	KEENAN & ASSOCIATES		PROPERTY INS/MAR24'-25"		\$3,940.44
					TOTAL	\$18,731.85
20009	3/11/2024	CITIZENS BUSINESS BANK (THCA CREDIT CARD)		TWO YEAR DOMAIN RENEWAL OF THCA		\$139.02
					TOTAL	\$139.02
TOTAL						\$30,726.50

Note: The payments above may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.

Tres Hermanos Conservation Authority

Payment Register

From 4/1/2024 to 4/30/2024

#	DATE	VENDOR NAME	CONTRACT/ PO#	DESCRIPTION	RETENTION	INVOICE AMT
5269	4/10/2024	CITY OF CHINO HILLS		CH STAFF TIME FEB24		\$307.18
TOTAL						\$307.18
5270	4/10/2024	EGOSCUE LAW GROUP, INC.	THCA19-004	EGOSCUE LEGAL MAR24		\$525.00
TOTAL						\$525.00
5271	4/10/2024	INDUSTRY SECURITY SERVICES, INC		INDSTY SECURITY SRVCS MAR24		\$3,790.02
TOTAL						\$3,790.02
5272	4/10/2024	STATE OF CALIFORNIA		DAM FEES FY 24-25		\$6,235.00
TOTAL						\$6,235.00
5273	4/17/2024	C & C ENGINEERING, INC.	THCA20-002	CNC FIELDMGMT MAR24		\$1,935.00
TOTAL						\$1,935.00
5274	4/17/2024	CITY OF INDUSTRY	THCA21-005	LACNTY PEST SEP23		\$6,268.91
TOTAL						\$6,268.91
5275	4/17/2024	DIAMOND ENVIRONMENTAL SERVICES	THCA23-003	DIAMOND RESTROOM RENT 03.24.24-04.21.24		\$101.53
TOTAL						\$101.53
5276	4/17/2024	JANUS PEST MANAGEMENT, INC.	THCA22-006	JANUS/PEST/MAR24		\$75.00
TOTAL						\$75.00
5277	4/24/2024	CITY OF CHINO HILLS		CH/WATER/03.13.24-04.12.24		\$216.92
	4/24/2024	CITY OF CHINO HILLS		CH/STAFF TIME/MAR24		\$215.02
TOTAL						\$431.94
TOTAL						\$19,669.58

Note: The payments above may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.



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Date: June 19, 2024
To: Chair and Board of Directors
From: Benjamin Montgomery, Executive Director
Subject: Treasurer's Report

Recommendation:

Receive and file the Treasurer's Reports for the months ended February 29, 2024, March 31, 2024, and April 30, 2024.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.3 Accounts, the Treasurer must verify and report in writing, at least quarterly, the amount of money held for the Authority and the amount of interest earnings, revenues, and expenditures since the last report. Attached for your information are the Treasurer's Reports for the months ended February 29, 2024, March 31, 2024, and April 30, 2024.

Respectfully Submitted,

Recommended By:

Benjamin Montgomery
Executive Director

Christa Buhagiar
Treasurer

Attachments Treasurer's Report - February 2024
Treasurer's Report - March 2024
Treasurer's Report - April 2024

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended February 29, 2024**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 72,157	\$ 72,157	0.02%	n/a	20.27%
	285,637	283,793	4.12%	n/a	79.73%
Total Investment Portfolio	<u>\$ 357,794</u>	<u>\$ 355,950</u>			<u>100.00%</u>

Blended Yield of Cash and Investments	3.29%
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Benchmarks:	
LAIF	4.12%
6mo U.S. Treasury	5.30%
2yr U.S. Treasury	4.64%
5yr U.S. Treasury	4.26%

I hereby certify that the investments are in compliance with the investment policy adopted by the the Board of Directors. The investment portfolio provides sufficient funds to meet the budgeted expenditures over the next six months. This report meets the requirements of Government Code Section 53646.



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended February 29, 2024

	Budget 2023/24	February 2024	Fiscal Year To Date 2023/24	% of Budget Used
Revenues:				
Interest Income	\$ -	\$ 1	\$ 5,628	-
Fair Market Value Adjustment	-	-	1,731	-
State Grant Revenue	80,000	16,867	72,000	90%
Rental Income	15,474	1,087	11,860	77%
Reimbursements	5,293	213	2,189	41%
Contributions from Member Agencies	270,990	-	270,990	100%
Total Revenues	371,757	18,168	364,398	98%
Expenditures:				
Contractual Services	275,984	4,932	69,097	25%
Bank Charges	300	(19)	7	2%
Audit Services	2,082	-	2,080	100%
Legal Services	7,101	1,050	3,675	52%
Security Services	48,563	-	23,143	48%
Professional Services	15,000	215	3,747	25%
Liability Insurance	21,000	-	1,823	9%
Office Supplies	1,660	-	1,058	64%
Water	5,301	225	2,375	45%
Permits & Fees	6,938	-	312	4%
Total Expenditures	383,929	6,403	107,317	28%
Excess of Revenues Over/(Under) Expenditures	\$ (12,172)	\$ 11,765	\$ 257,081	
Fund Balances:				
Beginning of Fiscal Year			\$ 97,399	
Excess of Revenues Over/(Under) Expenditures			257,081	
As of February 29, 2024			\$ 354,480	A
Fund Balances by City:				
Chino Hills			\$ 118,665	
Diamond Bar			113,770	
Industry			122,045	
Total Fund Balances by City			\$ 354,480	

A The ending fund balance in the amount of \$354,480 differs from the bank balance of \$357,794. The (\$3,314) difference is the net of \$1,436 in accounts receivable and (\$4,750) in outstanding checks.

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended March 31, 2024**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 60,790	\$ 60,790	0.02%	n/a	17.63%
	285,637	283,978	4.23%	n/a	82.37%
Total Investment Portfolio	\$ 346,427	\$ 344,768			100.00%

Blended Yield of Cash and Investments	3.49%
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Benchmarks:	
LAIF	4.23%
6mo U.S. Treasury	5.38%
2yr U.S. Treasury	4.59%
5yr U.S. Treasury	4.21%

I hereby certify that the investments are in compliance with the investment policy adopted by the the Board of Directors. The investment portfolio provides sufficient funds to meet the budgeted expenditures over the next six months. This report meets the requirements of Government Code Section 53646.



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended March 31, 2024

	<u>Budget 2023/24</u>	<u>March 2024</u>	<u>Fiscal Year To Date 2023/24</u>	<u>% of Budget Used</u>
Revenues:				
Interest Income	\$ -	\$ 1	\$ 5,629	-
Fair Market Value Adjustment	-	-	1,731	-
State Grant Revenue	80,000	-	72,000	90%
Rental Income	15,474	1,088	12,948	84%
Reimbursements	5,293	225	2,415	46%
Contributions from Member Agencies	270,990	-	270,990	100%
Total Revenues	<u>371,757</u>	<u>1,314</u>	<u>365,713</u>	<u>98%</u>
Expenditures:				
Contractual Services	275,984	3,779	72,877	26%
Bank Charges	300	1	7	2%
Audit Services	2,082	-	2,080	100%
Legal Services	7,101	-	3,675	52%
Security Services	48,563	7,714	30,857	64%
Professional Services	15,000	154	3,901	26%
Liability Insurance	21,000	18,732	20,555	98%
Office Supplies	1,660	139	1,197	72%
Water	5,301	208	2,583	49%
Permits & Fees	6,938	-	313	5%
Total Expenditures	<u>383,929</u>	<u>30,727</u>	<u>138,045</u>	<u>36%</u>
Excess of Revenues Over/(Under) Expenditures	<u>\$ (12,172)</u>	<u>\$ (29,413)</u>	<u>\$ 227,668</u>	
Fund Balances:				
Beginning of Fiscal Year			\$ 97,399	
Excess of Revenues Over/(Under) Expenditures			227,668	
As of March 31, 2024			<u>\$ 325,067</u>	A
Fund Balances by City:				
Chino Hills			\$ 108,860	
Diamond Bar			103,966	
Industry			112,241	
Total Fund Balances by City			<u>\$ 325,067</u>	

A The ending fund balance in the amount of \$325,067 differs from the bank balance of \$346,427. The (\$21,360) difference is the net of \$834 in accounts receivable and (\$22,194) in outstanding checks.


**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended April 30, 2024**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 34,570	\$ 34,570	0.02%	n/a	10.75%
	288,788	287,111	4.27%	n/a	89.25%
Total Investment Portfolio	\$ 323,358	\$ 321,681			100.00%

Blended Yield of Cash and Investments	3.82%
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Benchmarks:	
LAIF	4.27%
6mo U.S. Treasury	5.44%
2yr U.S. Treasury	5.04%
5yr U.S. Treasury	4.72%

I hereby certify that the investments are in compliance with the investment policy adopted by the the Board of Directors. The investment portfolio provides sufficient funds to meet the budgeted expenditures over the next six months. This report meets the requirements of Government Code Section 53646.



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended April 30, 2024

	<u>Budget 2023/24</u>	<u>April 2024</u>	<u>Fiscal Year To Date 2023/24</u>	<u>% of Budget Used</u>
Revenues:				
Interest Income	\$ -	\$ 3,152	\$ 8,781	-
Fair Market Value Adjustment	-	-	1,731	-
State Grant Revenue	80,000	8,000	80,000	100%
Rental Income	15,474	1,088	14,036	91%
Reimbursements	5,293	208	2,623	50%
Contributions from Member Agencies	270,990	-	270,990	100%
Total Revenues	<u>371,757</u>	<u>12,448</u>	<u>378,161</u>	<u>102%</u>
Expenditures:				
Contractual Services	275,984	8,380	81,257	29%
Bank Charges	300	1	8	3%
Audit Services	2,082	-	2,080	100%
Legal Services	7,101	525	4,200	59%
Security Services	48,563	3,790	34,647	71%
Professional Services	15,000	522	4,423	29%
Liability Insurance	21,000	-	20,555	98%
Office Supplies	1,660	-	1,197	72%
Water	5,301	217	2,800	53%
Permits & Fees	6,938	6,235	6,548	94%
Total Expenditures	<u>383,929</u>	<u>19,670</u>	<u>157,715</u>	<u>41%</u>
Excess of Revenues Over/(Under) Expenditures	<u>\$ (12,172)</u>	<u>\$ (7,222)</u>	<u>\$ 220,446</u>	
Fund Balances:				
Beginning of Fiscal Year			\$ 97,399	
Excess of Revenues Over/(Under) Expenditures			220,446	
As of April 30, 2024			<u>\$ 317,845</u>	A
Fund Balances by City:				
Chino Hills			\$ 106,453	
Diamond Bar			101,559	
Industry			109,833	
Total Fund Balances by City			<u>\$ 317,845</u>	

A The ending fund balance in the amount of \$317,845 differs from the bank balance of \$323,358. The (\$5,513) difference is the net of \$410 in deposits in transit, \$345 in accounts receivable and (\$6,268) in outstanding checks.



Chino Hills · Diamond Bar · Industry

Date: June 19, 2024
To: Chair and Board of Directors
From: Benjamin Montgomery, Executive Director
Subject: Records Retention Schedule Adoption

Recommendation:

Adopt resolution: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, AMENDING THE RECORDS RETENTION SCHEDULE, AUTHORIZING DESTRUCTION OF CERTAIN AUTHORITY RECORDS AND REPEALING RESOLUTION NO. THCA 2021-04

Background/Analysis:


On June 16, 2021, the Board of Directors of the Tres Hermanos Conservation Authority (Authority) adopted Resolution No. THCA 2021-04, adopting a Records Retention Schedule. Since the adoption, a review of the schedule warranted some additions and deletions that are reflected in the attached Resolution and redline labeled Attachment A. Many of the changes are consistent with the City of Chino Hills Records Retention Schedule which is formulated in consultation with Gladwell Governmental Services, Inc., an expert in local government records.

Staff recommends that the Authority adopt the attached Resolution amending the update to the Records Retention Schedule.

Respectfully Submitted,

Recommended By:


Benjamin Montgomery
Executive Director


Cheryl Balz
Secretary

Attachments Attachment A - Redline
Resolution
Exhibit A - Records Retention Schedule

TRES HERMANOS CONSERVATION AUTHORITY
RECORDS RETENTION SCHEDULE

	Authority Approval Date: June 16, 2021 <u>June 19, 2024</u>	Page 1 of 5
RECORD/TITLE	TOTAL RETENTION	REMARKS
LEGISLATIVE		
Agendas, posting affidavits, staff reports	Permanent	Authority preference; GC §34090
Agenda notification requests	Expiration +2 yrs.	GC §34090
Affidavits of Publication (hearings, etc.)	Permanent	<u>Authority preference</u> ; Statute of Limitations for mailings for annexations, special districts, bonds is <u>are</u> 60 days; Municipal Government actions is 3-6 months; CCP §§337 et seq, 349.4; GC §34090; Maintained with agenda packet
Bylaws	Permanent	Authority preference; GC §34090
Resolutions, (Official)	Permanent	GC §34090(e) et. Seq.
Minutes, (Official)	Permanent	GC §34090(e) et. Seq.
FINANCE		
Accounts Payable	After Audit + 7 yrs.	Authority preference; Statewide guidelines propose audit + 4 yrs.; Published articles show 3-7 yrs. <u>Meets Municipal Government Auditing Standards</u> ; other cities show 7-10 yrs.; GC §34090
Accounts Receivable	After Audit + 7 yrs.	Authority Preference; Statewide guidelines propose audit + 4 yrs.; Published articles show 3-7 yrs.; other cities show 7-10 yrs. <u>Meets Municipal Government Auditing Standards</u> ; GC §34090
Audits	After Audit + 7 yrs.	Authority Preference; Longer than 2 yrs. for auditing; GC §34090.7; Annual Audits maintained permanently with Agenda packet.

Bank Statements	After Audit + 7 yrs.	Authority Preference; For auditing purposes; Published articles show 3 – 4 yrs.; Other cities show 7 – 10 yrs. ; GC §34090, 26 CFR 31.6001-1
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Page 2 of 5

RECORD/TITLE	TOTAL RETENTION	REMARKS
FINANCE (continued)		
Bond (Treasurer)	Permanent	Part of Blanket Crime Insurance GC §34090
Bonds / Certificates of Participation (Issued by the Authority)	Cancellation, Redemption or Maturity + 10 yrs.	Statute of Limitation for bonds, mortgages, trust deeds, notes or debentures is 6 yrs.; Bonds issued by local governments are 10 yrs.; There are specific requirements for unused bonds; CCP §§336(a) & (b), 337.5(b); GC §§ 43900, et. Seq.; 34090
Budget (Adopted)	Permanent	Authority Preference; maintained as part of the Agenda packet; Statewide guidelines propose complete + 2 yrs.; GC §34090
Budget (Amendments)	Permanent	Authority Preference; maintained as part of the Agenda packet; GC §34090.7
Budget (proposed and reviews)	2 yrs.	GC §34090
Purchasing Policy	Superseded + 2 yrs.	Statewide guidelines propose superseded + 2 or 5 yrs.; GC §34090
Reports - County Federal, Local Agencies and State (Includes State Controller's Possessory Interest, Grant Reporting, CalPers Annual Info Request)	After Audit + 7 yrs.	Authority Preference; State Board of Equalization; Not Accessible to the Public GC §34090
Requisitions, Purchase Orders	After Audit + 7 yrs.	Authority Preference; Published articles show 3 yrs. Meets Municipal Government Auditing Standards ; Statute of Limitations is 4 yrs.; GC §34090, CCP §337

Warrant Payment Registers (Includes Cancelled Warrants Payments, Cancelled / Voided Checks, etc.)	After Audit + 7 yrs.	Authority Preference; Statute of Limitations is 4 yrs.; statewide guidelines propose Audit + 2 yrs. ; GC §34090, CCP § 337
PROPERTY		
Easements	Permanent	GC §34090
Deeds - Property owned by Authority	Permanent	GC §34090(a)
Deeds/Easements/Recorded Documents relating / involving the Authority	Permanent	Authority Preference; GC §34090

Page 3 of 5

RECORD/TITLE	TOTAL RETENTION	REMARKS
FAIR POLITICAL PRACTICES (FPPC)		
Conflict of Interest Code	Permanent	Adopted by Resolution. Authority Preference. Filing Officer maintains original statements; GC §§ 891009(e)(g); 34090
Form 804 & 805 (Agency Report of New Positions & Consultants	Permanent	FPPC Regulation 18734(c); GC §§ 81009(e); 34090 FPPC Forms Retention Summary for Filing Officers, GC §81009(e)
Statement of Economic Interest filers - Appointed Officials (includes Board Members, Executive Directors, Treasurer)	Permanent	Authority preference; Filing Officer maintains copies only; original statements are filed with FPPC; GC §§ 81009(f)(g); 34090; GC 84615; FPPC 18944 and 18944.1
Statement of Economic Interest filers - Designated employees and Consultants (original)	7 yrs.	Filing Officer maintains original statement GC §§ 81009(e)(g); 34090
RISK MANAGEMENT		
Certificates of Insurance (filed with agreement)	Permanent	Conforms with Agreement retention; longest statute of limitations is 10 yrs.; statewide guidelines propose permanent Authority Preference ; CCP §337 et. Seq; GC §34090

EXHIBIT A

Claims and Litigation files	Resolution + 5 yrs.	Claim must be filed within 2 yrs.; Statute of Limitations for contracts is 4 yrs.; wrongful death for construction is completion + 5 yrs.; CCP §§ 337 et seq.; GC §§ 911.2, 34090, 34090.6; PC §832.5(b)
Authority Owned Insurance Policies	Permanent	Authority Preference ; For protection from litigation; GC §34090
Miscellaneous Certificates of Insurance (not tied to an agreement)	Expiration + 10 yrs.	Authority Preference for policies that do not involve liability - GC §34090

RECORD/TITLE	TOTAL RETENTION	REMARKS
RISK MANAGEMENT (continued)		
Workers Compensation Claims (Employee Accident Reports)	Close or Settlement + 30 yrs. or Termination of Benefits + 5 yrs. Whichever is Longer	Claims can be made for 30 yrs. for toxic subst. exposure; Claims are req'd for 5 yrs. After the end of comp or injury, whichever is longer; the Workers Comp Appeals Board may destroy records after 5 yrs.; Medical Files for all employees are required to be maintained at least the duration of employment plus thirty (30) years; EEOC/FLSA/ADEA(Age) reqs 3 yrs. for promotion, demotion, transfer, selection, or discharge; State Law reqs 2-3 yrs.; 8 CCR 15400.2, 8 CCR 15400.2, 8 CCR §3204(d)(1) et. Seq.; 29 CFR 1910.1020, GC §§12946, 60201, 34090; CCP §337 et seq.
MISCELLANEOUS		
Agreements and Contracts	Permanent	Authority preference; Statute of Limitations is 4 yrs.; 10 yrs. for Errors & Omissions; CCP §§ 337, 337.1(a), 337.15, 343; GC §34090; Contractor has retention requirements in 48 CFR 4.703
Electronic Mail: Email defined as a Public Record	2 yrs.	Unless retention required for legal hold GC §34090; Content relating to the conduct of the normal course of business practices/ preparations/ processes
Formal Bids (Successful Bidder)	Permanent	Authority Preference; Maintained with contract files GC §34090
Unsuccessful Bids/RFPs/RFQs	Bid opening or Award date + 2 yrs.	GC §34090
Environmental Documents	Permanent When No Longer Required	Authority Preference; Includes EIR, Comment letters,

	Minimum 10 yrs.	etc. GC §34090
General Correspondence (Routine)	2 yrs.	GC §34090; Content relating to the conduct of the normal course of business practices/ preparations/ processes
Press Releases, Photographs, etc. (Excludes Historical)	25 -yrs.	GC §34090
Records Management (Destruction / Retention schedules)	Permanent	Authority Preference; GC §34090 et. Seq.
Requests for Public Records	2 yrs.	GC §34090

RECORD/TITLE	TOTAL RETENTION	REMARKS
MISCELLANEOUS (continued)		
Rosters (Internal)	Until replaced	
Secretary of State filings (Notices of Agreement/ Amendment (Form NPSF-404A & 404B); Registry of Public Agency (Form SF-405)	Permanent	Authority Preference: Requirement to file shown in GC §§6503.5,53051, 34090
Subpoenas	2 yrs.	GC §34090
Historical records (All) - Formation, photographs of historical significance, etc.	Permanent	Authority Preference: Executive Director determines historical significance. GC §34090

RESOLUTION NO. THCA 2024-___

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, AMENDING THE RECORDS RETENTION SCHEDULE, AUTHORIZING DESTRUCTION OF CERTAIN AUTHORITY RECORDS AND REPEALING RESOLUTION NO. THCA 2021-04

WHEREAS, Section 34090 of the Government Code of the State of California provides a procedure whereby any Local Agency record which has served its purpose and is no longer required may be destroyed with the approval of the legislative body by resolution and the written consent of legal counsel, the head of a department; and

WHEREAS, a uniform Records Retention Schedule facilitates easy and quick reference to, and preservation of, Tres Hermanos Conservation Authority (Authority) records and provides for proper and efficient management of the Authority records;

WHEREAS, on June 16, 2021, the Authority adopted a records retention schedule by Resolution No. THCA 2021-04;

WHEREAS, the Authority recognizes the need to update its Records Retention Schedule to provide economy and efficiency in the creation, utilization, maintenance, retention, retrieval, preservation, and disposition of Authority records and reflect changes in law, reduce current and future records, storage costs, and eliminate duplication of effort.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY DOES RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The Authority does hereby adopt the update to the Records Retention Schedule attached to this resolution as Exhibit A.

SECTION 2. Resolution No. THCA 2021-04 is hereby repealed.

SECTION 3. The records of the Authority are authorized to be destroyed as provided by Section 34090 et. seq. of the Government Code of the State of California and in accordance with the Provision of Said Schedule, the Records Retention Schedule, and as necessary and regarding law with the consent in writing of the City Clerk of the City of Chino Hills as the Office of Records, the Executive Director, and Legal Counsel, without further action by the Authority.

SECTION 4. This Resolution shall become effective immediately upon its passage and adoption.

SECTION 5. The Secretary shall certify as to the adoption of this Resolution.

PASSED, APPROVED, and ADOPTED this 19th day of June, 2024.

Peter Rogers, Chair
Tres Hermanos Conservation Authority

ATTEST:

I, Cheryl Balz, Secretary of the Tres Hermanos Conservation Authority, do hereby certify that the foregoing Resolution was duly and regularly passed, approved, and adopted by the Board of Directors of the Tres Hermanos Conservation Authority, at its regular meeting held on the 19th day of June 2024, by the following Roll Call vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

ABSTAIN: DIRECTORS:

Cheryl Balz, Secretary
Tres Hermanos Conservation Authority

TRES HERMANOS CONSERVATION AUTHORITY
 RECORDS RETENTION SCHEDULE

	Authority Approval Date: June 19, 2024	Page 1 of 6
RECORD/TITLE	TOTAL RETENTION	REMARKS
LEGISLATIVE		
Agendas, posting affidavits, staff reports	Permanent	Authority preference; GC §34090
Agenda notification requests	Expiration +2 yrs.	GC §34090
Affidavits of Publication (hearings, etc.)	Permanent	Authority preference; Statute of Limitations for mailings for annexations, special districts, bonds are 60 days; Municipal Government actions is 3-6 months; CCP §§337 et seq, 349.4; GC §34090; Maintained with agenda packet
Bylaws	Permanent	Authority preference; GC §34090
Resolutions, (Official)	Permanent	GC §34090(e) et. Seq.
Minutes, (Official)	Permanent	GC §34090(e) et. Seq.
FINANCE		
Accounts Payable	After Audit + 7 yrs.	Authority preference; Meets Municipal Government Auditing Standards; other cities show 7-10 yrs.; GC §34090
Accounts Receivable	After Audit + 7 yrs.	Authority Preference; Meets Municipal Government Auditing Standards; GC §34090
Audits	After Audit + 7 yrs.	Authority Preference; Longer than 2 yrs. for auditing; GC §34090.7; Annual Audits maintained permanently with Agenda packet.

RECORD/TITLE	TOTAL RETENTION	REMARKS
FINANCE (continued)		
Bank Statements	After Audit + 7 yrs.	Authority Preference; For auditing purposes; GC §34090, 26 CFR 31.6001-1
Bond (Treasurer)	Permanent	Part of Blanket Crime Insurance GC §34090
Bonds / Certificates of Participation (Issued by the Authority)	Cancellation, Redemption or Maturity + 10 yrs.	Statute of Limitation for bonds, mortgages, trust deeds, notes or debentures is 6 yrs.; Bonds issued by local governments are 10 yrs.; There are specific requirements for unused bonds; CCP §§336(a) & (b), 337.5(b); GC §§ 43900, et. Seq.; 34090
Budget (Adopted)	Permanent	Authority Preference; maintained as part of the Agenda packet; Statewide guidelines propose complete + 2 yrs.; GC §34090
Budget (Amendments)	Permanent	Authority Preference; maintained as part of the Agenda packet; GC §34090.7
Budget (proposed and reviews)	2 yrs.	GC §34090
Purchasing Policy	Superseded + 2 yrs.	Statewide guidelines propose superseded + 2 or 5 yrs.; GC §34090
Reports - County Federal, Local Agencies and State (Includes State Controller's Possessory Interest, Grant Reporting, CalPers Annual Info Request)	After Audit + 7 yrs.	Authority Preference; State Board of Equalization; Not Accessible to the Public GC §34090
Requisitions, Purchase Orders	After Audit + 7 yrs.	Authority Preference; Meets Municipal Government Auditing Standards; Statute of Limitations is 4 yrs.; GC §34090, CCP §337

RECORD/TITLE	TOTAL RETENTION	REMARKS
FAIR POLITICAL PRACTICES (FPPC)		
Payment Registers (Includes Cancelled Payments, Cancelled/Voided Checks, etc.)	After Audit + 7 yrs.	Authority Preference; Statute of Limitations is 4 yrs.; GC §34090, CCP § 337
PROPERTY		
Easements	Permanent	GC §34090
Deeds - Property owned by Authority	Permanent	GC §34090(a)
Deeds/Easements/Recorded Documents relating / involving the Authority	Permanent	GC §34090
Conflict of Interest Code	Permanent	Adopted by Resolution. Authority Preference. Filing Officer maintains original statements; GC §§ 891009(e)(g); 34090
Form 804 & 805 (Agency Report of New Positions & Consultants)	Permanent	FPPC Regulation 18734(c); GC §§ 81009(e); 34090 FPPC Forms Retention Summary for Filing Officers, GC §81009(e)
Statement of Economic Interest filers - Appointed Officials (includes Board Members, Executive Directors, Treasurer)	Permanent	Authority preference; Filing Officer maintains copies only; original statements are filed with FPPC; GC §§ 81009(f)(g); 34090; GC 84615; FPPC 18944 and 18944.1
Statement of Economic Interest filers - Designated employees and Consultants (original)	7 yrs.	Filing Officer maintains original statement GC §§ 81009(e)(g); 34090
RISK MANAGEMENT		
Certificates of Insurance (filed with agreement)	Permanent	Conforms with Agreement retention; longest statute of limitations is 10 yrs.; Authority Preference; CCP §337 et. Seq; GC §34090

RECORD/TITLE	TOTAL RETENTION	REMARKS
RISK MANAGEMENT (continued)		
Claims and Litigation files	Resolution + 5 yrs.	Claim must be filed within 2 yrs.; Statute of Limitations for contracts is 4 yrs.; wrongful death for construction is completion + 5 yrs.; CCP §§ 337 et seq.; GC §§ 911.2, 34090, 34090.6; PC §832.5(b)
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RECORD/TITLE	TOTAL RETENTION	REMARKS
MISCELLANEOUS		
Agreements and Contracts	Permanent	Authority preference; Statute of Limitations is 4 yrs.; 10 yrs. for Errors & Omissions; CCP §§ 337, 337.1(a), 337.15, 343; GC §34090; Contractor has retention requirements in 48 CFR 4.703
Electronic Mail: Email defined as a Public Record	2 yrs.	Unless retention required for legal hold GC §34090; Content relating to the conduct of the normal course of business practices/ preparations/ processes
Formal Bids (Successful Bidder)	Permanent	Authority Preference; Maintained with contract files GC §34090
Unsuccessful Bids/RFPs/RFQs	Bid opening or Award date + 2 yrs.	GC §34090
Environmental Documents	When No Longer Required Minimum 10 yrs.	Authority Preference; Includes EIR, Comment letters, etc. GC §34090
General Correspondence (Routine)	2 yrs.	GC §34090; Content relating to the conduct of the normal course of business practices/ preparations/ processes
Press Releases, Photographs, etc. (Excludes Historical)	5yrs.	GC §34090
Records Management (Destruction Retention schedules)	Permanent	Authority Preference; GC §34090 et. Seq.
Requests for Public Records	2 yrs.	GC §34090
Rosters (Internal)	Until replaced	
Secretary of State filings (Notices of Agreement/ Amendment (Form NPSF-404A & 404B); Registry of Public Agency (Form SF-405)	Permanent	Authority Preference; Requirement to file shown in GC §§6503.5,53051, 34090
Subpoenas	2 yrs.	GC §34090



Chino Hills · Diamond Bar · Industry

Date: June 19, 2024

To: Chair and Board of Directors

From: Benjamin Montgomery, Executive Director

Subject: Agreement with Industry Security Services, Inc. for Security Services at the Tres Hermanos Ranch

Recommendation:

Authorize the execution of a three-year agreement with Industry Security Services, Inc. to provide security services estimated at \$55,000 per year for a total contract amount not to exceed \$165,000.

Background/Analysis:

Industry Security Services, Inc. has been the provider of security services at the Tres Hermanos Ranch since December 1, 2007. Currently, these services are provided through an agreement with the City of Industry, as part of their broader provision of security services to various locations, but it is due to expire on June 30, 2024. Industry Security Services, Inc. will continue to provide the City of Industry with security services not only to general city patrol areas but also extending their services to the Tres Hermanos Ranch. This gives Industry Security Services, Inc. the flexibility to offer an agreement with the Tres Hermanos Conservation Authority (Authority) for limited service hours, or four (4) hours a day, a provision that they might not otherwise extend.

Authority staff have been working to obtain agreements directly with the vendors that service the Authority and pursuant to the Tres Hermanos Conservation Authority's Contract Compliance Policy. The Executive Director has determined that the Request for Proposal (RFP) process is unnecessary for this agreement because Industry Security Services, Inc. is the best provider based on their demonstrated qualifications, experience, and familiarity with the Tres Hermanos property, due to their long-standing relationship. Given the extensive history and demonstrated capabilities of safeguarding the Tres Hermanos Ranch, it is recommended that the Authority proceed with establishing a direct agreement for security services for a total amount not to exceed \$165,000. The proposed hourly rate for FY 24/25 is 3.7% higher than the current rate, with the following two years seeing increases of 2.5% each year.

Fiscal Impact:

There is sufficient funding in the Fiscal Year 2024-25 adopted budget to cover the cost of the security services agreement. Future contract costs will be budgeted for in the appropriate fiscal year.

Respectfully Submitted,

Recommended By:



Benjamin Montgomery
Executive Director



Christa Buhagiar
Treasurer

Attachments Agreement

**AGREEMENT NO.
SERVICES AGREEMENT
FOR SECURITY SERVICES FOR TRES HERMANOS RANCH**

This Services Agreement is made and entered into as of the date last signed below ("Effective Date") ("Agreement")

BETWEEN: **The TRES HERMANOS CONSERVATION AUTHORITY**, a Joint Powers Authority ("Authority"), located at Assessor's Parcel Number (APNs): 1000-011-19, 1000-011-20, 1000-011-21, 1000-011-22, 1000-011-13, 1000-011-14, 1000-031-14, 1000-031-15, 8701-022-270, 8701-021-271 and 8701-022-273.

AND: **INDUSTRY SECURITY SERVICES, INC** ("Contractor"), a California Corporation located at 15430 Valley Boulevard, Industry, California 91746.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM AND SCOPE OF SERVICES.

- 1.1 Contractor agrees to perform the services set forth in EXHIBIT A "SCOPE OF SERVICES", attached hereto and incorporated into this Agreement by reference. Contractor will, in a workmanlike manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculation, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by Authority, necessary or proper to perform and complete the work and provide the services required of Contractor by this Agreement.
- 1.2 The term of this Agreement shall commence on July 1, 2024, and shall terminate on June 30, 2027. This Agreement may be terminated with or without cause immediately upon written notice by Authority or by Contractor upon providing written notice at least 30 days before the effective termination. In the event of such termination, Contractor shall be compensated for non-disputed fees under the terms of this Agreement up to the date of termination.
- 1.3 Contractor shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein or listed in Exhibit A, unless such additional services are authorized in advance and in writing by the Executive Director. Contractor shall be compensated for any additional services in the amounts and in the manner as agreed to by the Executive Director and Contractor at the time Authority's written authorization is given to Contractor for the performance of said services.
- 1.4 Contractor shall keep itself informed of applicable local, state, and federal laws and regulations which may affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Contractor shall observe and comply with all such laws and regulations. The Authority, its officers, employees, and volunteers shall not be liable at law or in equity as a result of any failure of Contractor to comply with this section.

2. COMPENSATION. Compensation to the Contractor will be made as set forth in EXHIBIT B (“RATE SCHEDULE”), attached hereto and incorporated into this Agreement. Total compensation for the term of this Agreement shall not exceed \$165,000. Payments may take up to 45 days after receipt of each invoice as to all undisputed fees. If the Authority disputes any of the Contractor’s fees, it shall give written notice to Contractor within 30 days of receipt of an invoice of any disputed fees set forth on the invoice.

3. BUSINESS LICENSE. If required by the Chino Hills Municipal Code, Contractor must obtain a valid business license for doing business with the City of Chino Hills prior to performing services under this Agreement.

4. INSURANCE. Prior to commencing work, Contractor must provide the insurance required below. The Contractor shall provide certificates and required endorsements to the Authority as evidence of the insurance coverage required herein. Contractor's insurance coverage must be primary insurance and/or primary source of recovery with respect to Authority, its elected and appointed officers, agents, officials, employees, and volunteers with respect to all claims, losses or liability arising directly or indirectly from the Contractor's operations or Service provided to the Authority. Any insurance or self-insurance maintained by Authority, its officers, officials, employees, and volunteers shall be in excess of the Contractor's insurance and shall not contribute with it. Coverage must have the policy limits described below and be provided by an insurance carrier with A.M. Best's Insurance Guide Rating of A- or higher, and Financial Size Category Class of VII or larger. Said policies must also require a written 30 day notice of cancellation shall be addressed to Tres Hermanos Conservation Authority c/o City of Chino Hills City Clerk, 14000 City Center Drive, Chino Hills, CA 91709. All insurance coverage maintained or procured pursuant to this Agreement must be endorsed to waive subrogation against the Authority, its elected or appointed officers, agents, officials, employees, and volunteers or must specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. The Contractor hereby waives its own right of recovery against the Authority and shall require similar written express waivers and insurance clauses from each of its subcontractors.

The items checked-off below are mandatory.

- Comprehensive General Liability: Contractor must maintain commercial general liability insurance with coverage at least as broad as Insurance Services Offices form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage, including coverage for premises, products and completed operations, independent contractors, personal injury and contractual obligations. The Authority, its officers, officials, employees, and volunteers are to be listed as additionally insured.

- Workers' Compensation Insurance: Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

- Workers' Compensation Insurance (Self Employed): Contractor certifies that, in the performance of the work for which this Agreement is entered into, will not employ any person in any manner so as to become subject to the Worker's Compensation Laws of the State of California.

- Auto Liability Insurance: Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Services to

be performed under this Agreement, including coverage for any owned, hired, non-owned, or rented vehicles, in an amount not less than \$2,000,000 combined single limit for each accident. The Authority, its officers, officials, employees, and volunteers, are to be listed as additionally insured.

- Cyber Liability Insurance: Contractor shall procure and maintain Cyber Liability insurance with limits of \$1,000,000 per occurrence/loss, \$2,000,000 general aggregate, which shall include the following coverage: (1) Liability arising from the unauthorized release of information for which an entity has the legal obligation to keep private, such as personally identifiable information and protected health information; (2) Network security liability arising from the unauthorized use of, access to, or tampering with computer systems, including hacker or denial of service attacks; (3) Liability arising from the failure of technology products (software and hardware) required under this Agreement to properly perform the intended services; (4) Claims alleging the failure of computer security that result in the transmission of malicious code, deletion, destruction or alteration of data, or the denial of services; (5) Electronic Media Liability arising from personal injury, plagiarism or misappropriation of ideas, domain name infringement or improper deep-thinking or framing, and infringement or violation of intellectual property rights; (6) Liability arising from the rendering, or failure to render, services; (7) Defense costs in regulatory proceedings (state and federal) involving a violation of privacy laws or intellectual property rights; and (8) Crisis management and other expert services. If coverage is maintained on a claims-made basis, Consultant/Contractor shall maintain such coverage for an additional period of three years following termination of the contract.
- Pollution Liability Insurance: Coverage shall provide for liability arising out of sudden, accidental, and gradual pollution, and remediation. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. All services performed in this Agreement shall be specifically scheduled on the policy as "covered operations." The policy shall provide coverage for the remediation of the site in the event of an environmental contamination event arising out of the materials, supplies, products, work, operations, or workmanship.
- Commercial Auto or Transportation Pollution Liability Insurance: Coverage shall be in an amount not less than \$5,000,000 combined single limit per accident and shall include Pollution Liability (CA9948) and MCS-90 Endorsements. The policy shall provide coverage for transportation of pollutants/contaminants to and from the job site and the hauling of waste from the project site to the final disposal location, including non-owned disposal sites.
- Umbrella or Excess Liability Insurance: Should Contractor obtain and maintain an excess liability policy, such policy shall be excess over commercial general liability, automobile liability, and employer's liability policies. Such policy or policies shall include wording that the excess liability policy follows the terms and conditions of the underlying policies.

5. ADDITIONAL TERMS AND CONDITIONS.

- 5.1 **GENERALLY.** The terms of any proposal referred to in this Agreement are included and made a part of the Agreement only to the extent they specify the services to be provided, the price, and the delivery, and then only to the extent that such terms are consistent with the terms and conditions of this Agreement.
- 5.2 **TIME EXTENSION.** Authority may extend the time for completion if, in Authority's sole determination, Contractor was delayed because of causes beyond Contractor's control and without Contractor's fault or negligence. In the event of an unreasonable delay caused by Authority, Contractor's sole remedy is limited to recovering money actually and necessarily expended by Contractor because of the delay; there is no right to recover anticipated profit.
- 5.3 **REMEDIES CUMULATIVE.** Authority's rights and remedies under this Agreement are not exclusive and are in addition to any rights and remedies provided by law.
- 5.4 **INDEMNIFICATION.** Contractor agrees to indemnify and hold Authority harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising out of the Agreement, or its performance, regardless of Authority's passive negligence, but excepting such loss or damage which is caused by the sole active negligence or willful misconduct of the Authority. Should Authority be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement or its performance, Contractor will defend Authority (at Authority's request and with counsel satisfactory to Authority) and indemnify Authority for any judgment rendered against it or any sums paid out in settlement or otherwise. For purposes of this section "Authority" includes Authority's officers, elected officials, employees, and volunteers. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement. The requirements as to the types and limits of insurance coverage to be maintained by Contractor, and any approval of such insurance by Authority, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by Contractor pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.
- 5.5 **POLLUTION INDEMNIFICATION.** Contractor must defend with counsel reasonably acceptable to the Authority, indemnify, protect, and hold harmless the Authority, its officers, officials, employees, and volunteers (hereinafter "Indemnitees") from and against all claims, damages (including but not limited to special, consequential, natural resources, and punitive damages), injuries, costs, (including without limitation all response, remediation, and removal costs), losses, demands, claims, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, attorneys' fees for the adverse party, and expenses (including without limitation attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity), (collectively, "Damages") of any kind whatsoever paid, incurred or suffered by, or asserted against, the Indemnitees arising from or attributable to the acts or omissions of Contractor, its officers, directors, employees, subsidiaries, or agents, whether or not negligent or otherwise culpable, in connection with or related to the performance of this Agreement, including without limit Damages arising from or attributable to any repair, cleanup, or detoxification, or preparation and implementation of any removal, remedial, response, closure, or other plan (regardless of whether undertaken due to governmental action)

concerning any Pollutant, Contaminant, Hazardous Substance, Hazardous Waste, Household Hazardous Waste, Solid Waste, or other waste that Contractor has generated, collected, stored, transported, or disposed, arising out of or in connection with Contractor's performance of work. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9607(e); Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq.; and California Health and Safety Code Section 25364, to defend, protect, hold harmless, and indemnify the Indemnitees from liability. This provision is in addition to all other provisions in this Agreement and will survive the end of the term of this Agreement. The liability of the Contractor is not limited to the limits of the policies of insurance provided.

- 5.6 **WARRANTY.** Contractor agrees that the Agreement is covered by the most favorable commercial warranties the Contractor gives to any customer for the same or substantially similar services, or such other more favorable warranties as is specified in this Agreement. Warranties will be effective notwithstanding any inspection or acceptance of the work by the Authority.
- 5.7 **ASSIGNMENT.** Except as to any payment due under this Agreement, Contractor may not assign or subcontract any part of the Agreement without Authority's written approval. Should the Authority give consent, it will not relieve Contractor from any obligations under this Agreement and any transferee or subcontractor will be considered Contractor's agent.
- 5.8 **PERMITS.** Contractor must procure all necessary permits and licenses, and abide by all federal, state, and local laws, in the performance of this Agreement.
- 5.9 **INDEPENDENT CONTRACTOR.** Authority and Contractor agree that Contractor will act as an independent contractor and will have control of all work and the manner in which is it performed. Contractor will be free to contract for similar services to be performed for other employers while under contract with Authority. Contractor is not an agent or employee of Authority and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits Authority provides for its employees. Any provision in this Agreement that may appear to give Authority the right to direct Contractor as to the details of doing the work or to exercise a measure of control over the work means that Contractor will follow the direction of the Authority as to end results of the work only.
- 5.10 **PREVAILING WAGE.** If required by applicable state law including, without limitation Labor Code §§ 1720, 1771, 1774, 1775, and 1776, Contractor must pay its workers prevailing wages. It is Contractor's responsibility to interpret and implement any prevailing wage requirements and Contractor agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws. In accordance with Labor Code § 1773.2, copies of the prevailing rate of per diem wages are available upon request from Authority's Engineering Division or the website for State of California Prevailing wage determination at <http://www.dir.ca.gov/DLSR/PWD>. If applicable, a copy of the prevailing rate of per diem wages must be posted at the job site.
- 5.11 **WAIVER.** Authority's review or acceptance of, or payment for, work product prepared by Contractor under this Agreement will not be construed to operate as a waiver of any rights Authority may have under this Agreement or of any cause of action arising from Contractor's performance. A waiver by Authority of any breach of any term, covenant, or condition contained in this Agreement will not be deemed to be a waiver of any

subsequent breach of the same or any other term, covenant, or condition contained in this Agreement, whether of the same or different character.

- 5.12 INTERPRETATION/EFFECT OF CONFLICT. This Agreement was drafted in, and will be construed in accordance with, the laws of the State of California, and exclusive venue for any action involving this agreement will be in San Bernardino County. In interpreting this Agreement, the main body of this Agreement takes precedence over the attached exhibits and supersedes any conflicting provisions in the exhibits. In the event of any inconsistency between the exhibits, the terms of Exhibit B (Compensation) shall take precedence over the terms of Exhibit A (Scope of Services).
- 5.13 SEVERABLE. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.
- 5.14 ENTIRE AGREEMENT. This Agreement and its exhibits constitute the sole agreement between Contractor and Authority respecting provision of the services contemplated herein.
- 5.15 AUTHORIZED SIGNATORY: The person signing this Agreement on behalf of Contractor warrants that he/she is duly authorized to do so and to bind Contractor hereto.
6. NOTICES. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal delivery, (ii) delivery by a reputable document delivery service, such as, but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice. All notices, demands, requests or approvals from Contractor to Authority shall be addressed to Tres Hermanos Conservation Authority c/o City of Chino Hills City Clerk, 14000 City Center Drive, Chino Hills, CA 91709 and emailed to cityclerk@chinohills.org. All notices, demands, requests or approvals from Authority to Contractor shall be addressed to Contractor at the contact information provided on the signature page of this Agreement.
7. FORM OF AGREEMENT; EXECUTION IN COUNTERPARTS. This Agreement may be executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts. Electronically signed copies of this Agreement utilizing technology which conforms to the requirements in both Government Code Section 16.5 and 2 California Code of Regulations Section 22003 shall legally bind the parties to the same extent as original documents.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date signed below.

**TRES HERMANOS CONSERVATION
AUTHORITY**

**INDUSTRY SECURITY SERVICES,
INC.**

**Peter Rogers
Chair**

DocuSigned by:
Brian Dryer
8894C598194D4A1...
(Signature)

Brian Dryer

(Typed/Printed Name)

(Date)

CEO

(Title)

ATTEST:

5/29/2024

(Date)

**Cheryl Balz
Authority Secretary**

(Date)

APPROVED AS TO FORM

DocuSigned by:
J
4B5CC88CEA2A455...

**Tracy J. Egoscue
Authority General Counsel**

**15430 Valley Blvd
Industry, California 91746**

Mailing Address of Business

**brain@industrysecurity.com
Email Address**

EXHIBIT A SCOPE OF SERVICES

Consultant shall provide the following Services to the Authority:

SCOPE OF WORK

The security services to be performed include but are not limited to: implementing and updating the security protocol, as required by the Executive Director; furnishing all personnel, vehicles, materials, tools, equipment, supplies, services, tasks and incidental, and customary work necessary to competently perform security services at the Tres Hermanos Ranch; and attending coordination meetings as needed or requested by the Executive Director, or their designee.

The Consultant shall be responsive and maintain excellent working relationships with guests, businesses, government officials, and Authority member agency staff. The Consultant shall always provide adequate staffing levels and adhere to established schedules.

SERVICE TO BE PROVIDED

TASK 1 – IMPLEMENT AND UPDATE (AS NEEDED) SECURITY PROTOCOL

Consultant will implement and update, as directed by the Executive Director, the security protocol, for the Tres Hermanos Ranch that clearly outlines duties, responsibilities, and expectations of the security team. Consultant will implement the protocols and certify that every security guard assigned to the Tres Hermanos Ranch has read, understands, and is trained to implement the protocol. The Consultant shall review the document for accuracy at least once a year, and shall revise the protocol, with Executive Director's approval, as needed throughout the year.

TASK 2 – PROVIDE SECURITY SERVICES

The objective of these services will be to safeguard the life and property, and visitors, who enter the Tres Hermanos Ranch.

Consultant will provide a uniformed, unarmed security team seven days-a-week, 4-hours per day for property and personnel security at the Tres Hermanos Ranch. Services include, but are not limited, to:

1. Security Team will consist of, at least one security guard to provide random patrols and monitor the property. The Officer will ensure no one enters the property without approval and maintain details of all activity while on patrol.
2. Security Protocol must be read, understood, and followed by all the security officers assigned to Tres Hermanos Ranch.
3. Observe and report potential and actual security issues, disruptive behaviors, emergencies, unauthorized access, property vandalism and damage, and related security issues. Said information shall be provided to the Executive Director within 24 hours, except emergencies, which shall be reported to the Executive Director immediately.
4. Deter criminal or undesirable behaviors by demonstrating a high-level of awareness, high visibility, and continuous presence throughout property.

5. Effectively communicate with all staff, residents, public, and guests; act in a professional, courteous manner; must be available by phone or another form of communication to report and receive reports regarding security issues.
6. Perform other duties as assigned by the Executive Director or designee.

TASK 3 – ATTEND MEETINGS

The Consultant shall maintain effective and open communication with staff and entities adjacent to the Authority. The Consultant shall schedule and attend regular meetings with the Executive Director or designee, on a quarterly or annual basis as requested by the Executive Director.

WORK HOURS AND LOCATION

Hours of service for performing security services patrolling at the Tres Hermanos Ranch property are random and would be 4 hours each day, seven days per week.

EXHIBIT B
RATE SCHEDULE

The following rates hereby apply to, all rate schedules, effective July 1, 2024. They shall apply during the term of the Services Agreement, dated July 1, 2024; between Tres Hermanos Conservation Authority, a Joint Power Authority ("Authority") and Industry Security Services, Inc., (a California Corporation).

Period: July 1, 2024 to June 30, 2025

Title	Hourly Rate (regular)	Hourly Rate (overtime and holiday)
Patrol Officer	\$34.78	\$52.17

Period: July 1, 2025 to June 30, 2026

Title	Hourly Rate (regular)	Hourly Rate (overtime and holiday)
Patrol Officer	\$35.65	\$53.48

Period: July 1, 2026 to June 30, 2027

Title	Hourly Rate (regular)	Hourly Rate (overtime and holiday)
Patrol Officer	\$36.54	\$54.81

Overtime:

Unless a shorter time is agreed to by the Executive Director and Consultant, overtime shall be paid to Consultant if requested 24 hours in advance by the Executive Director. All overtime shall be paid on an hourly basis for actual hours worked. Notwithstanding the foregoing, overtime shall be paid for holidays as set forth in the tables above. For purposes of this Agreement, the following are holidays: News Years Day, Martin Luther King Day, President's Day, Easter Sunday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.