



City of Industry Property and Housing Management Authority

REGULAR MEETING AGENDA
SEPTEMBER 11, 2024
10:30 a.m.

Chair Ken Calvo
Vice Chair Tim Seal
Board Member Jim Bickel
Board Member Phil Cook
Board Member Timothy O’Gorman

Location: City Council Chambers, 15651 Mayor Dave Way, City of Industry, California

Addressing the Authority:

- < **Agenda Items:** Members of the public may address the Authority on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a one-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker’s Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Authority.

- < **Public Comments (Non-Agenda Items):** Anyone wishing to address the Authority on an item not on the Agenda may do so during the “Public Comments” period. In order to conduct a timely meeting, there will be a one-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Authority from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker’s Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the Authority.

At the time of publication, no Board Members intend to take part in the meeting remotely under the provisions of AB 2449. Should that change between the time of publication and the start of the meeting, a live webcasting of the meeting will be accessible via the link, meeting ID, and meeting passcode listed below. Whenever possible, an announcement will be made at the start of the meeting via the live webcast to confirm whether or not a Board Member will join remotely. If they will not be joining remotely, then the live webcast will terminate after the announcement.

www.microsoft.com/microsoft-teams/join-a-meeting

Meeting ID: 262 581 475 254

Passcode: 7HYSJy

[Download Teams](#) | [Join on the web](#)

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+1 657-204-3264 United States

Phone Conference ID: 946 708 655#

Americans with Disabilities Act:

- < In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk’s Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

Agendas and other writings:

- < *In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 Mayor Dave Way, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Thursday 8:00 a.m. to 5:00 p.m., Friday 8:00 a.m. to 4:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.*
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1. Call to Order
2. Flag Salute
3. AB 2449 Vote on Emergency Circumstances (if necessary)
4. Roll Call
5. Presentations
6. **CONSENT CALENDAR**

6.1 Consideration of the Register of Demands for September 11, 2024

RECOMMENDED ACTION: Approve the Register of Demands.

6.2 Consideration of the minutes of August 7, 2024 regular meeting

RECOMMENDED ACTION: Approve as submitted.

6.3 Consideration of a Maintenance Services Agreement with Janus Pest Management, Inc., to provide pest management services in an amount not-to-exceed \$90,000.00, through September 11, 2027

RECOMMENDED ACTION: Approve the Agreement

7. **ACTION ITEMS**

7.1 Discussion and direction regarding rent increases for existing tenants

RECOMMENDED ACTION: Discuss and provide direction to Staff. If the Board determines that rent shall be increased, direct staff to:
A. Increase rent for existing tenants by _____% effective _____, not to exceed the target rent amounts set on July 1, 2023.
B. Provide advanced notice of changes in rent amounts to affected tenants, pursuant to the California Tenant Protection Act of 2019.

8. **PUBLIC HEARINGS- NONE**
9. **CLOSED SESSION -NONE**
10. **EXECUTIVE DIRECTOR REPORTS**
11. **AB 1234 REPORTS**
12. **BOARD MEMBER COMMUNICATIONS**
13. **PUBLIC COMMENTS**
14. Adjournment. Next regular meeting: Wednesday, October 9, 2024, at 10:30 a.m.

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 6.1

INDUSTRY PROPERTY & HOUSING MANAGEMENT AUTHORITY

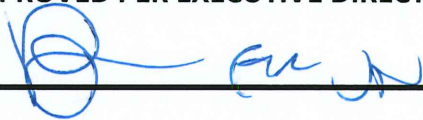
AUTHORIZATION FOR PAYMENT OF BILLS

Board Meeting September 11, 2024

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
124	IPHMA - CAPITAL IMPROVEMENT	6,665.00
160	INDUSTRY PROPERTY & HOUSING	56,526.56
TOTAL ALL FUNDS		63,191.56

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
IPHMA.WF.CHK	WELLS FARGO CHECKING	63,191.56
TOTAL ALL BANKS		63,191.56

APPROVED PER EXECUTIVE DIRECTOR



DATE

9.5.24

**Industry Property and Housing Management Authority
Board Meeting
September 11, 2024**

Check	Date		Payee Name	Check Amount
IPHMA.WF.CHK - IPHMA Wells Fargo Checking				
200695	08/14/2024		ROWLAND WATER DISTRICT	\$235.60
	Invoice	Date	Description	Amount
	2025-00000225	07/24/2024	6/5-7/7/24 SVC-17217 CHESTNUT ST	\$152.48
	2025-00000226	07/24/2024	6/5-7/7/24 SVC-17229 CHESTNUT ST	\$83.12
200696	08/14/2024		SOCALGAS	\$31.97
	Invoice	Date	Description	Amount
	2025-00000227	08/02/2024	7/1-7/31/24 SVC-16200 TEMPLE APT 202 BUNKHOUSE	\$31.97
200697	08/14/2024		WALNUT VALLEY WATER DISTRICT	\$89.98
	Invoice	Date	Description	Amount
	5076403	08/07/2024	7/3-8/1/24 SVC-20137 WALNUT DR	\$50.34
	5071964	08/06/2024	7/1-7/31/24 SVC-22002 VALLEY BLVD	\$39.64
200698	08/21/2024		SOUTHERN CALIFORNIA EDISON	\$19.87
	Invoice	Date	Description	Amount
	2025-00000279	08/13/2024	7/15-8/12/24 SVC-20137 E WALNUT DR S	\$19.87
200699	08/26/2024		WELLS FARGO	\$36.95
	Invoice	Date	Description	Amount
	7/25/24	07/25/2024	IPHMA-TENANT SCREENING	\$36.95
200700	09/11/2024		CNC ENGINEERING	\$12,368.75
	Invoice	Date	Description	Amount
	510915	08/22/2024	MISC HOUSING CAPITAL IMPROVEMENTS	\$1,777.50
	510916	08/22/2024	MISC HOUSING CAPITAL IMPROVEMENTS	\$3,457.50
	510917	08/22/2024	MISC HOUSING CAPITAL IMPROVEMENTS	\$1,430.00

**Industry Property and Housing Management Authority
Board Meeting
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Check	Date		Payee Name	Check Amount
IPHMA.WF.CHK - IPHMA Wells Fargo Checking				
	510904	08/22/2024	IPH MGMT AUTHORITY ISSUES-17229 CHESTNUT ST	\$195.00
	510905	08/22/2024	IPH MGMT AUTHORITY ISSUES-15722 NELSON AVE	\$97.50
	510906	08/22/2024	IPH MGMT AUTHORITY ISSUES-15730 NELSON AVE	\$97.50
	510907	08/22/2024	IPH MGMT AUTHORITY ISSUES-15652 NELSON AVE	\$97.50
	510908	08/22/2024	IPH MGMT AUTHORITY ISSUES-16200 TEMPLE AVE UN	\$97.50
	510909	08/22/2024	IPH MGMT AUTHORITY ISSUES-17217 CHESTNUT ST	\$341.25
	510910	08/22/2024	IPH MGMT AUTHORITY ISSUES-16217 E TEMPLE AVE	\$243.75
	510911	08/22/2024	IPH MGMT AUTHORITY ISSUES-22036 E VALLEY BLVD	\$386.25
	510912	08/22/2024	IPH MGMT AUTHORITY ISSUES-16242 E TEMPLE AVE	\$97.50
	510913	08/22/2024	IPH MGMT AUTHORITY ISSUES-15714 NELSON AVE	\$97.50
	510914	08/22/2024	IPH MGMT AUTHORITY ISSUES	\$3,952.50
200701	09/11/2024		IPHMA - PAYROLL ACCOUNT	\$5,500.00
	Invoice	Date	Description	Amount
	AUG-24	08/23/2024	REPLENISH PAYROLL ACCT FOR AUGUST 2024	\$5,500.00
200702	09/11/2024		JANUS PEST MANAGEMENT	\$65.00
	Invoice	Date	Description	Amount
	274135	08/07/2024	PEST CONTROL SVC-16212 TEMPLE	\$65.00
200703	09/11/2024		MORTISE & TENON BUILDING CORP	\$9,000.00
	Invoice	Date	Description	Amount
	43	07/31/2024	CONSTRUCTION OF ACCESSIBLE STEPS TO REAR OF	\$9,000.00
200704	09/11/2024		SATSUMA LANDSCAPE & MAINT.	\$25,717.44
	Invoice	Date	Description	Amount
	0824EHNHCS	08/07/2024	JULY 2024-LANDSCAPE MAINT	\$25,717.44

**Industry Property and Housing Management Authority
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Check	Date	Payee Name	Check Amount
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IPHMA.WF.CHK - IPHMA Wells Fargo Checking

200705	09/11/2024		TEMP AIR SYSTEM INC.	\$9,645.00
	Invoice	Date	Description	Amount
	19566	07/11/2024	REPLACE CONDENSING UNIT UPSTAIRS FLOOR-16242	\$8,750.00
	19680	07/25/2024	AC MAINT SVC-15652 NELSON AVE E	\$195.00
	19655	07/22/2024	AC MAINT SVC-16242 TEMPLE	\$700.00
200706	09/11/2024		VORTEX INDUSTRIES, INC.	\$481.00
	Invoice	Date	Description	Amount
	04-1762283	07/31/2024	PREVENTATIVE MAINT TO SWING GATE @ 22036 VALL	\$481.00

Checks	Status	Count	Transaction Amount
	Total	12	\$63,191.56

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 6.2

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
AUGUST 7, 2024
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The Regular Meeting of the Industry Property and Housing Management Authority of the City of Industry, California, was called to order by Chair Ken Calvo at 10:30 a.m., in the City of Industry Council Chamber, 15651 Mayor Dave Way, California.

FLAG SALUTE

The flag salute was led by Chair Ken Calvo.

AB 2449 VOTE ON EMERGENCY CIRCUMSTANCES (IF NECESSARY)

There was no need for AB 2449 vote since there were no Board Members taking part remotely. The webcast was then terminated.

ROLL CALL

PRESENT: Ken Calvo, Chair
Tim Seal, Vice Chair
James Bickel, Board Member
Phil Cook, Board Member
Timothy O’Gorman, Board Member

STAFF PRESENT: Josh Nelson, Executive Director; Bing Hyun, Assistant Executive Director; James M. Casso, General Counsel; and Julie Gutierrez Robles, Secretary.

PRESENTATION

There were none.

CONSENT CALENDAR

There were no public comments.

6.1 CONSIDERATION OF THE REGISTER OF DEMANDS FOR AUGUST 7, 2024

RECOMMENDED ACTION:
Demands.

Approve the Register of

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
AUGUST 7, 2024
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Chair Ken Calvo asked for an explanation about check# 200687, 200688 and 200692, on the Register of Demands for several repairs at the Bunkhouse and an install at 16212 Temple. Field Operation Project Manager, Justin Aguilar, with CNC Engineering explained that there were updates for recessed lighting in the kitchen and they added lights in the living room to make unified, plus putting two new outlets in the restrooms. The delayed invoice for the work at the Bunkhouse was to keep the building functional and the work was done a long time ago.

6.2 CONSIDERATION OF THE STATEMENT OF INVESTMENT POLICY

RECOMMENDED ACTION: *Approve the Investment Policy.*

There were no public comments.

MOTION BY VICE CHAIR SEAL, AND SECOND BY BOARD MEMBER COOK TO APPROVE THE CONSENT CALENDAR. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	BICKEL, COOK, O'GORMAN, VC/SEAL, C/CALVO
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

ACTION ITEMS

7.1 Consideration of Amendment No. 2 to the Residential Rental Agreement for 16218 E. Temple Avenue

RECOMMENDED ACTION: *The IPHMA Ad Hoc Committee recommends approving Amendment No. 2 to the Residential Rental Agreement.*

Executive Director Josh Nelson provided to the Ad Hoc Committee, prior to this meeting, an amendment to the Residential Rental Agreement for 16218 E. Temple Avenue, requesting the following:

Remove a tenant
Add an occupant (Under 18 years of age)
Remove one pet
Add one pet.

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The Ad Hoc Committee agreed that the requirements were met.

There were no public comments.

MOTION BY BOARD MEMBER COOK, AND SECOND BY BOARD MEMBER O'GORMAN TO APPROVE AMENDMENT NO. 2 TO THE RESIDENTIAL RENTAL AGREEMENT. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	BICKEL, COOK, O'GORMAN, VC/SEAL, C/CALVO
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

PUBLIC HEARING - NONE

CLOSED SESSION - NONE

EXECUTIVE DIRECTOR REPORTS

There were none.

AB 1234 REPORTS

There were none.

BOARD MEMBER COMMUNICATIONS

There were none.

PUBLIC COMMENTS

There were none.

ADJOURNMENT

There being no further business, the Industry Property and Housing Management Authority adjourned at 10:38 a.m.

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
AUGUST 7, 2024
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Ken Calvo
Chair

Julie Gutierrez-Robles
Secretary

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 6.3



INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

MEMORANDUM

TO: Honorable Chair and Members of the City of Industry Property and Housing Management Authority

FROM: Joshua Nelson, Executive Director

STAFF: Mathew Hudson, Engineering Manager; James Cramsie, Director of Engineering, CNC Engineering; Justin Aguilar, Field Operations Project Manager, CNC Engineering

DATE: 09/11/2024

SUBJECT: Consideration of a Maintenance Services Agreement with Janus Pest Management, Inc., to provide pest management services in an amount not-to-exceed \$90,000.00, through September 11, 2027

BACKGROUND

The Industry Property and Housing Management Authority ("IPHMA") maintains twenty-five (25) properties that require regular pest control and rodent management services. The IPHMA's previous contractor's contract expired June 30, 2024. The services provided at the houses typically includes one routine service per month at \$60.00 that covers general pest control, for pests such as cockroaches, spiders, crickets, ants, and others. As needed services include stinging insects, rodent control, fleas and ticks, pantry pests, and mosquito traps.

DISCUSSION

Staff recommends Janus Pest Management Inc. ("Janus") to provide the pest control and rodent management services for the IPHMA properties. Janus has been providing reliable and satisfactory pest management services to the City for many years. Staff recommends approving the Maintenance Services Agreement with Janus for three years through September 11, 2027, in an amount not to exceed \$90,000.00.

FISCAL IMPACT

The fiscal impact is estimated to be \$90,000.00 over three years. In the Fiscal Year 2024-25 budget, \$324,000.00 is approved for this work (Account No. 160-300-8510).

RECOMMENDATION

It is recommended that the Board approve the Maintenance Services Agreement with Janus.

Attachments

A. Maintenance Services Agreement with Janus Pest Management, Inc. dated September 11, 2024

INDUSTRY PROPERTY HOUSING MANAGEMENT AUTHORITY
MAINTENANCE SERVICES AGREEMENT

This MAINTENANCE SERVICES AGREEMENT (“Agreement”) is made and effective as of September 11, 2024 (“Effective Date”), between the INDUSTRY PROPERTY HOUSING MANAGEMENT AUTHORITY (“IPHMA”), a public body, and Janus Pest Management, Inc. (“Contractor”), a California corporation. IPHMA and Contractor are hereinafter collectively referred to as the “Parties”.

RECITALS

WHEREAS, IPHMA desires to engage Contractor to perform the services described herein, and Contractor desires to perform such services in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, IPHMA and Contractor agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than September 11, 2027, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

(a) Contractor shall perform the tasks (“Services”) described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. (“Scope of Services”). Tasks other than those specifically described in the Scope of Services shall not be performed without prior written approval of IPHMA. The Services shall be performed by Contractor, unless prior written approval is first obtained from IPHMA. In the event of conflict or inconsistency between the terms of this Agreement and Exhibit A, the terms of this Agreement shall prevail.

(b) IPHMA shall have the right to request, in writing, changes to the Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

(c) Contractor shall perform all Services in a manner reasonably satisfactory to IPHMA and in a first-class manner in conformance with the standards of quality normally observed by an entity providing pest management services, serving a public body.

(d) Contractor shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not

limited to, the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this Agreement, Contractor shall not perform any work for another person or entity for whom Contractor was not working on the Effective Date if both (i) such work would require Contractor to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) IPHMA has not consented in writing to Contractor's performance of such work. No officer or employee of IPHMA shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.* Contractor hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of IPHMA. If Contractor was an employee, agent, appointee, or official of IPHMA in the previous twelve (12) months, Contractor warrants that it did not participate in any manner in the forming of this Agreement. Contractor understands that, if this Agreement is made in violation of Government Code §1090 *et. seq.*, the entire Agreement is void and Contractor will not be entitled to any compensation for Services performed pursuant to this Agreement, and Contractor will be required to reimburse IPHMA for any sums paid to the Contractor. Contractor understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

(e) Contractor represents that it has, or will secure at its own expense, all licensed personnel required to perform the Services. All Services shall be performed by Contractor or under its supervision, and all personnel engaged in the Services shall be qualified and licensed to perform such services.

3. MANAGEMENT

IPHMA Executive Director shall represent IPHMA in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Contractor, but shall have no authority to modify the Services or the compensation due to Contractor.

4. PAYMENT

(a) IPHMA agrees to pay the Contractor a lump sum. Amount not to exceed Ninety Thousand Dollars (\$90,000.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) 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, unless such additional services are authorized in advance and in writing by IPHMA. Contractor shall be compensated for any additional services in the amounts and in the manner as agreed to by IPHMA and Contractor at the time IPHMA's written authorization is given to Contractor for the performance of said services.

(c) Contractor shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty

(30) days of receipt of each invoice as to all non-disputed fees. If IPHMA disputes any of Contractor's fees it shall give written notice to Contractor within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

5. LABOR CODE AND PREVAILING WAGES

(a) Contractor represents and warrants that it is aware of the requirements of California Labor Code Section 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 16000, *et seq.*, ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public Works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$15,000.00 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. IPHMA shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and any location where the Services are performed. Contractor shall indemnify, defend and hold harmless, IPHMA, its elected officials, officers, employees and agents, from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, Contractor's or by any individual or agency for which Contractor is legally liable, including but not limited to officers, agents, employees or subcontractors of Contractor, failure or alleged failure to comply with Prevailing Wage Laws.

(b) In accordance with the requirements of Labor Code Section 1776, Contractor shall keep accurate payroll records which are either on forms provided by the Division of Labor Standards Enforcement or which contain the same information required by such forms. Contractor shall make all such records available for inspection at all reasonable hours.

(c) To the extent applicable, Contractor shall comply with the provisions of Section 1777.5 of the Labor Code with respect to the employment of properly registered apprentices upon public works.

(d) Contractor shall comply with the legal days work and overtime requirements of Sections 1813 and 1815 of the Labor Code.

(e) If the Services are being performed as part of an applicable Public Works or Maintenance project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Contractor and all subcontractors performing such Services must be registered with the Department of Industrial Relations. Contractor shall maintain registration for the duration of

the Agreement and require the same of any subcontractors, as applicable. The Services set forth in this Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements.

6. SUSPENSION OR TERMINATION OF AGREEMENT

(a) IPHMA may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Contractor at least ten (10) days prior written notice. Upon receipt of said notice, the Contractor shall immediately cease all work under this Agreement, unless the notice provides otherwise. If IPHMA suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, IPHMA shall pay to Contractor the actual value of the work performed up to the time of termination, provided that the work performed is of value to IPHMA. Upon termination of the Agreement pursuant to this Section, the Contractor shall submit an invoice to IPHMA pursuant to Section 5 of this Agreement.

7. OWNERSHIP OF DOCUMENTS

(a) Contractor shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by IPHMA that relate to the performance of services under this Agreement. Contractor shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Contractor shall provide free access to the representatives of IPHMA or its designees at reasonable times to review such books and records; shall give IPHMA the right to examine and audit said books and records; shall permit IPHMA to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of IPHMA and may be used, reused, or otherwise disposed of by IPHMA without the permission of the Contractor. With respect to computer files, Contractor shall make available to IPHMA, at the Contractor's office, and upon reasonable written request by IPHMA, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Contractor hereby grants to IPHMA all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Contractor in the course of providing the services under this Agreement. All reports, documents, or other written

material developed by Contractor in the performance of the Services pursuant to this Agreement, shall be and remain the property of IPHMA.

8. INDEMNIFICATION

(a) Indemnity for professional liability

When the law establishes a professional standard of care for Contractor's Services, to the fullest extent permitted by law, Contractor shall indemnify, protect, defend and hold harmless IPHMA and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs caused in whole or in part by any negligent or wrongful act, error or omission of Contractor, its officers, agents, employees or subcontractors (or any agency or individual that Contractor shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) Indemnity other than for professional liability

Other than in the performance of professional services and to the full extent permitted by law, Contractor shall indemnify, defend and hold harmless IPHMA, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contractor or by any individual or agency for which Contractor is legally liable, including but not limited to officers, agents, employees or subcontractors of Contractor.

(c) Duty to defend.

In the event IPHMA, its officers, employees, agents and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by IPHMA, Contractor shall have an immediate duty to defend IPHMA at Contractor's cost or at IPHMA's option, to reimburse IPHMA for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters.

Payment by IPHMA is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Contractor and IPHMA, as to whether liability arises from the sole negligence of IPHMA or its officers, employees, or agents, Contractor will be obligated to pay for IPHMA's defense until such time as a final judgment has been entered adjudicating IPHMA as solely negligent. Contractor will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

9. INSURANCE

Contractor shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and incorporated herein by reference.

10. INDEPENDENT CONTRACTOR

(a) Contractor is and shall at all times remain as to IPHMA a wholly independent Contractor and/or independent contractor. The personnel performing the services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither IPHMA nor any of its officers, employees, or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees, or agents, except as set forth in this Agreement. Contractor shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of IPHMA. Contractor shall not incur or have the power to incur any debt, obligation, or liability whatever against IPHMA, or bind IPHMA in any manner.

(b) No employee benefits shall be available to Contractor in connection with the performance of this Agreement. Except for the fees paid to Contractor as provided in the Agreement, IPHMA shall not pay salaries, wages, or other compensation to Contractor for performing services hereunder for IPHMA. IPHMA shall not be liable for compensation or indemnification to Contractor for injury or sickness arising out of performing services hereunder.

(c) Consultant shall indemnify, defend and hold harmless, IPHMA, its elected officials, officers, employees and agents, from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including contributions to any retirement and/or pension plan, legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, Consultant's or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant, service as an independent contractor. The indemnity provisions set forth in this Section 10(c) shall survive the termination of this Agreement, and are in addition to any other rights or remedies IPHMA may have under the law.

11. LEGAL RESPONSIBILITIES

The Contractor shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Contractor shall at all times observe and comply with all such laws and regulations. IPHMA, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Contractor to comply with this Section.

12. UNDUE INFLUENCE

Contractor declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of IPHMA in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of IPHMA has or will receive compensation, directly or indirectly, from Contractor, or from any officer, employee or agent of Contractor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling IPHMA to any and all remedies at law or in equity.

13. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

No member, officer, or employee of IPHMA, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

14. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Contractor in performance of this Agreement shall be considered confidential and shall not be released by Contractor without IPHMA's prior written authorization. Contractor, its officers, employees, agents, or subcontractors, shall not without written authorization from IPHMA, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within IPHMA, unless otherwise required by law or court order. (b) Contractor shall promptly notify IPHMA should Contractor, its officers, employees, agents, or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within IPHMA, unless Contractor is prohibited by law from informing IPHMA of such Discovery, court order or subpoena. IPHMA retains the right, but has no obligation, to represent Contractor and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless IPHMA is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Contractor in such proceeding, Contractor agrees to cooperate fully with IPHMA and to provide the opportunity to review any response to discovery requests provided by Contractor. However, IPHMA's right to review any such response does not imply or mean the right by IPHMA to control, direct, or rewrite said response.

15. 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 service, (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:

To IPHMA:	IPHMA 15625 Mayor Dave Way City of Industry, CA 91744 Attention: Executive Director
With a Copy To:	James M. Casso, General Counsel Casso & Sparks, LLP 13300 Crossroads Parkway North, Suite 410 City of Industry, CA 91746
To Contractor:	Janus Pest Management, Inc. P.O. Box 4649 San Dimas, CA 91773 Attention: Jay Spicer, Service Specialist

16. ASSIGNMENT

The Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of IPHMA.

Before retaining or contracting with any subcontractor for any services under this Agreement, Contractor shall provide IPHMA with the identity of the proposed subcontractor, a copy of the proposed written contract between Contractor and such subcontractor which shall include and indemnity provision similar to the one provided herein and identifying IPHMA as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor carries insurance at least equal to that required by this Agreement or obtain a written waiver from IPHMA for such insurance.

Notwithstanding Contractor's use of any subcontractor, Contractor shall be responsible to IPHMA for the performance of its subcontractor as it would be if Contractor had performed the Services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between IPHMA and any subcontractor employed by Contractor. Contractor shall be solely responsible for payments to any subcontractors. Contractor shall indemnify, defend and hold harmless the Indemnified Parties for any claims arising from, or related to, the services performed by a subcontractor under this Agreement.

17. GOVERNING LAW/ATTORNEYS' FEES

IPHMA and Contractor understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Contractor under this Agreement, the prevailing party shall be entitled to reasonable

attorneys' fees and all related costs, including costs of expert witnesses and Contractors, as well as costs on appeal, in addition to any other relief to which it may be entitled.

18. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

19. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

20. COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

21. CAPTIONS

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

22. WAIVER

The waiver by IPHMA or Contractor of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by IPHMA or Contractor unless in writing.

23. REMEDIES

Each right, power and remedy provided for herein or now or hereafter existing at law, in

equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies.

24. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Contractor represents and warrants that he/she has the authority to execute this Agreement on behalf of the Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

“IPHMA”
Industry Property Housing Management
Authority

“CONTRACTOR”
Janus Pest Management, Inc.

By: _____
Joshua Nelson, Executive Director

By _____
Jay Spicer, Service Specialist

Attest:

By: _____
Julie Gutierrez-Robles, Secretary

Approved as to form:

By: _____
James M. Casso, General Counsel

Attachments:	Exhibit A	Scope of Services
	Exhibit B	Rate Schedule
	Exhibit C	Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

Contractor shall perform the following pest services:

- Consultant shall routinely inspect and render pest remediation services as needed for the twenty-five (25) residential properties listed on the accompanying page.
- **Service Frequency:** 1X/month (once per month). Routine services shall be rendered on weekdays between 7:00 a.m. – 4:00 p.m.
- **Covered Target Pests:** American cockroaches, Argentine ants, house-spiders, black widow spiders, brown widow spiders, American cockroaches, German cockroaches, water beetles, crickets, earwigs, millipedes, sowbugs, pillbugs, and other occasional invaders/dooryard pests.

Pest issues that are not covered that may require additional charges, shall include but are not limited to fleas, ticks, rodents, termites, bees, hornets, yellow jackets, wasps, booklice, bed bugs, mites, springtails, snails, slugs, land shrimp, pantry pests, gnats, and flies. Service charges to treat the pest issues mentioned above are submitted upon request.

Rodent issues that require the installation of additional rodent control devices or increased service frequency to gain control may require additional service charges--submitted upon request.

- **Stinging Insects:** The indicated cost covers the treatment of the target pest during regular business hours, non-emergency response. The indicated cost does not include contingencies for any of the following items:
 - additional crew member
 - pre-inspection
 - equipment rental
 - structural repairs
 - emergency services
 - fall protection plan
 - ants or spiders
 - multiple nests or beehives
 - honeycomb removal
 - secondary service visit in the event that the treated target pest re-locates on or in another area of the property
- **Rodent Control Program:** The indicated cost covers the treatment of the target pest during regular business hours, non-emergency response. The indicated

cost covers the initial service and four check-back services, usually scheduled once per week for four consecutive weeks. The indicated cost does not include contingencies for any of the following items:

- additional crew member
 - pre-inspection
 - equipment rental
 - structural repairs
 - emergency services
 - increased wholesale cost of materials
 - bait station instillation
 - ongoing maintenance
 - disinfection
 - deodorizing
 - removal of rodent debris or contaminated materials
 - treatment of associated parasites, e.g., mites, fleas, and ticks.
 - replacement of damaged or missing equipment
-
- **Fleas and Ticks:** The indicated cost covers the treatment of the target pest during regular business hours, non-emergency response. The indicated cost covers the initial treatment and one follow-up treatment of the inside of the residence not to exceed 1,700sqft and the exterior of the adjacent turf and shrubbery, primarily in shaded sections of the yard.
-
- **Pantry Pests:** The indicated cost covers the treatment of the target pest during regular business hours, non-emergency response. The indicated cost covers a single treatment of the of the target pest. The indicated cost does not include contingencies for any of the following items:
 - pre-inspection
 - installation and inspection of pheromone lure traps
 - replacement of damaged or missing equipment
-
- **Mosquito Trap Service:** The indicated cost covers the treatment of the target pest during regular business hours, non-emergency response. The indicated cost covers the installation of two In2Care mosquito traps and monthly maintenance services
 - additional traps
 - increased wholesale cost of materials
 - replacement of damaged or missing equipment

Locations	Service Frequency
16000 Temple Ave A	1X/monthly
16000 Temple Ave B	1X/monthly
16000 Temple Ave C	1X/monthly
16000 Temple Ave D	1X/monthly
16000 Temple Ave Bunkhouse	1X/monthly
16212 Temple Ave	1X/monthly
16217 Temple Ave	1X/monthly
16218 Temple Ave	1X/monthly
16220 Temple Ave	1X/monthly
16224 Temple Ave	1X/monthly
16227 Temple Ave	1X/monthly
16229 Temple Ave	1X/monthly
16238 Temple Ave	1X/monthly
16242 Temple Ave	1X/monthly
17217 Chestnut St	1X/monthly
17229 Chestnut St	1X/monthly
14063 Proctor Ave	1X/monthly
15652 Nelson Ave	1X/monthly
15702 Nelson Ave	1X/monthly
15714 Nelson Ave	1X/monthly
15722 Nelson Ave	1X/monthly
15730 Nelson Ave	1X/monthly

15736 Nelson Ave	1X/monthly
22036 Valley Blvd	1X/monthly
21037 E Walnut Dr S	1X/monthly

EXHIBIT B

RATE SCHEDULE

These services are covered under Account No. 160-300-8510, MP 12-06.

Service	Cost
Stinging Insects	\$245.00
Rodent Control Program	\$395.00
Fleas/ticks	\$325.00
Pantry Pests	\$195.00
Mosquito Trap Maintenance	\$100.00 Initial - \$60.00/month

Location	Service Frequency	Cost Per Service
16000 Temple Ave A	1X/monthly	\$60.00
16000 Temple Ave B	1X/monthly	\$60.00
16000 Temple Ave C	1X/monthly	\$60.00
16000 Temple Ave D	1X/monthly	\$60.00
16000 Temple Ave Bunkhouse	1X/monthly	\$60.00
16212 Temple Ave	1X/monthly	\$60.00
16217 Temple Ave	1X/monthly	\$60.00
16218 Temple Ave	1X/monthly	\$60.00
16220 Temple Ave	1X/monthly	\$60.00
16224 Temple Ave	1X/monthly	\$60.00
16227 Temple Ave	1X/monthly	\$60.00
16229 Temple Ave	1X/monthly	\$60.00

16238 Temple Ave	1X/monthly	\$60.00
16242 Temple Ave	1X/monthly	\$60.00
17217 Chestnut St	1X/monthly	\$60.00
17229 Chestnut St	1X/monthly	\$60.00
14063 Proctor Ave	1X/monthly	\$60.00
15652 Nelson Ave	1X/monthly	\$60.00
15702 Nelson Ave	1X/monthly	\$60.00
15714 Nelson Ave	1X/monthly	\$60.00
15722 Nelson Ave	1X/monthly	\$60.00
15730 Nelson Ave	1X/monthly	\$60.00
15736 Nelson Ave	1X/monthly	\$60.00
22036 Valley Blvd	1X/monthly	\$60.00
21037 E Walnut Dr S	1X/monthly	\$60.00

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Contractor's indemnification of IPHMA, and prior to commencement of the Services, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to IPHMA.

General liability insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile 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 Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000.00 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Contractor shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Contractor agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000.00).

Contractor shall submit to IPHMA, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of IPHMA, its officers, agents, employees and volunteers.

Proof of insurance. Contractor shall provide certificates of insurance to IPHMA as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by IPHMA's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with IPHMA at all times during the term of this contract. IPHMA reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise

from or in connection with the performance of the Services hereunder by Contractor, his agents, representatives, employees or subcontractors.

Primary/noncontributing. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by IPHMA shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of IPHMA before IPHMA's own insurance or self-insurance shall be called upon to protect it as a named insured.

IPHMA's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, IPHMA has the right but not the duty to obtain the insurance it deems necessary and any premium paid by IPHMA will be promptly reimbursed by Contractor, or IPHMA will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, IPHMA may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by IPHMA's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against IPHMA, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against IPHMA, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

Enforcement of contract provisions (non estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of IPHMA to inform Contractor of non-compliance with any requirement imposes no additional obligations on IPHMA nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, IPHMA requires and shall be entitled to coverage for the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to IPHMA.

Notice of cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide to IPHMA with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that IPHMA and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to IPHMA and approved of in writing.

Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass Through Clause. Contractor agrees to ensure that its subContractors, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with Contractors, subcontractors, and others engaged in the project will be submitted to IPHMA for review.

IPHMA's right to revise specifications. IPHMA reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contractor, IPHMA and Contractor may renegotiate Contractor's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by IPHMA. IPHMA reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by IPHMA.

Timely notice of claims. Contractor shall give IPHMA prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 7.1



INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

MEMORANDUM

TO: Honorable Chair and Members of the City of Industry Property and Housing Management Authority
FROM: Joshua Nelson, Executive Director
STAFF: Bing Hyun, Assistant Executive Director
DATE: 09/11/2024
SUBJECT: Discussion and direction regarding rent increases for existing tenants

BACKGROUND

Pursuant to the California Tenant Protection Act of 2019 (AB 1482), rent amounts may only be increased annually by either a maximum of 5% of the current rent amount plus the local rate of inflation; or 10% of the current rent amount, whichever is lower.

The Industry Property and Housing Management Authority ("IPHMA") last considered rent increases on March 13, 2024. During that meeting, the IPHMA referenced the Los Angeles-Long Beach-Anaheim area Consumer Price Index ("CPI") percent change in price of 2.8% for the 12-month period ending in November 2023. Based on State law, the maximum amount that rent could be increased within a 12-month period was 7.8%.

After discussion, the IPHMA directed Staff to increase rent for all existing tenants by 2.8% effective July 1, 2024, provided that no rent would exceed the target rent amounts set on July 1, 2023. In addition, the IPHMA directed that an additional rent increase be scheduled for consideration in six months (September 2024).

DISCUSSION

As directed from the March 13, 2024 meeting, the IPHMA may consider rent increases, provided that any additional increase does not exceed 5%.

FISCAL IMPACT

Any potential increase in monthly revenues will be determined by the rent increase set by the IPHMA Board, if any at all.

RECOMMENDATION

Discuss and provide direction to Staff. If the Board determines that rent shall be increased, direct staff to:

- A. Increase rent for existing tenants by ____% effective _____, not to exceed the target rent amounts set on July 1, 2023.
 - B. Provide advanced notice of changes in rent amounts to affected tenants, pursuant to the California Tenant Protection Act of 2019.
-