



# SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY SPECIAL MEETING AGENDA NOVEMBER 29, 2018 8:30 A.M.

Chairman Mark D. Radecki  
Vice Chair Cory C. Moss  
Board Member Abraham Cruz  
Board Member Catherine Marcucci  
Board Member Newell Ruggles

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

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### **Addressing the Agency:**

- **Agenda Items:** *Members of the public may address the Successor Agency on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Successor Agency 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 Secretary prior to the Agenda item being called and prior to the individual being heard by the Successor Agency.*
- **Public Comments (Agenda Items Only):** *During oral communications, if you wish to address the Agency Board during this Special Meeting, under Government Code Section 54954.3(a), you may only address the Agency Board concerning any item that has been described in the notice for the Special Meeting.*

### **Americans with Disabilities Act:**

- *In compliance with the ADA, if you need special assistance to participate in any meeting (including assisted listening devices), please contact the Office of the Secretary to the Successor Agency (626) 333-2211. Notification of at least 72 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 Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the Successor Agency 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.*

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1. Call to Order
2. Flag Salute
3. Roll Call
4. Public Comments

5. **BOARD MATTERS**

- 5.1 Consideration of the minutes of November 8, 2018 special meeting

*RECOMMENDED ACTION: Approve as submitted.*

- 5.2 Consideration of Amendment No. 3 to the Agreement for Consulting Services with Sage Environmental Group, in the amount of \$60,000.00 for a total Agreement amount not to exceed \$343,172.60 through December 31, 2020.

*RECOMMENDED ACTION: Approve Amendment No. 3.*

- 5.3 Consideration of Amendment No. 5 to the Agreement for Consulting Services with Stearns, Conrad and Schmidt, Consulting Engineers, Inc. in the amount of \$273,000.00, for a total Agreement amount not to exceed \$1,225,550.00 through December 31, 2020.

*RECOMMENDED ACTION: Approve Amendment No. 5.*

6. Adjournment. Next regular Successor Agency meeting will be on Thursday, January 24, 2019 at 8:30 a.m.

*SUCCESSOR AGENCY*

ITEM NO. 5.1

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SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
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**CALL TO ORDER**

The Special Meeting of the Successor Agency to the Industry Urban-Development Agency was called to order by Chairman Radecki at 9:00 a.m. in the City of Industry Council Chamber, 15651 East Stafford Street, California.

**FLAG SALUTE**

The flag salute was led by Chairman Radecki.

**ROLL CALL**

PRESENT: Mark Radecki, Chairman  
Cory Moss, Vice Chair  
Abraham Cruz, Board Member  
Catherine Marcucci, Board Member  
Newell Ruggles, Board Member

STAFF PRESENT: Troy Helling, City Manager; Bing Hyun, Assistant City Manager; Jamie M. Casso, Legal Counsel; Joshua Nelson, Contract City Engineer; and Julie Gutierrez-Robles, Assistant Secretary.

**PUBLIC COMMENTS**

There were no public comments.

**CONSIDERATION OF THE MINUTES OF OCTOBER 25, 2018 REGULAR MEETING**

MOTION BY VICE CHAIR MOSS, AND SECOND BY BOARD MEMBER MARCUCCI TO APPROVE THE MINUTES AS SUBMITTED. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	CRUZ, MARCUCCI, RUGGLES, VC/MOSS, C/RADECKI
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
ABSTAIN:	BOARD MEMBERS:	NONE

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SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
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**CONSIDERATION OF RESOLUTION NO. SA 2018-18 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, RESCINDING RESOLUTION No. SA 2018-15 AND APPROVING A REVISED PURCHASE AND SALE AGREEMENT BETWEEN THE AGENCY AND P.T. ENTERPRISES, LLC, FOR 17647 GALE AVENUE, CITY OF INDUSTRY, AND MAKING THE REQUISITE CEQA FINDINGS**

Staff report was presented by Legal Counsel Casso explaining the history of what took place between the two resolutions and the revised offer made between P.T. Enterprises, LLC, and the Agency.

MOTION BY BOARD MEMBER RUGGLES, AND SECOND BY BOARD MEMBER CRUZ TO ADOPT RESOLUTION NO. SA 2018-18. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	CRUZ, MARCUCCI, RUGGLES, VC/MOSS, C/RADECKI
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
ABSTAIN:	BOARD MEMBERS:	NONE

**ADJOURNMENT**

There being no further business, the Successor Agency to the Industry Urban-Development Agency adjourned at 9:11 a.m.

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Mark D. Radecki, Chairman

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Julie Gutierrez-Robles, Assistant Secretary

*SUCCESSOR AGENCY*

ITEM NO. 5.2



SUCCESSOR AGENCY TO THE  
**INDUSTRY URBAN - DEVELOPMENT  
AGENCY**  
**MEMORANDUM**

**TO:** Honorable Chairman and Members of the Successor Agency to the Industry Urban-Development Agency Board

**FROM:** Troy Helling, Executive Director *TH*

**STAFF:** Joshua Nelson, Contract Agency Engineer, CNC Engineering *JN*  
Sean Calvillo, Project Manager, CNC Engineering *SC*

**DATE:** November 29, 2018

**SUBJECT:** Consideration of Amendment No. 3 to the Agreement for Consulting Services with Sage Environmental Group, in the amount of \$60,000.00 for a total Agreement amount not to exceed \$343,172.60 through December 31, 2020

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**Background:**

On July 18, 2013, the Agency approved an Agreement for Consulting Services with Sage Environmental Group for biological and regulatory compliances services for the Industry Business Center ("IBC"). The Scope of Services included Biological Monitoring – Pre-Construction and Construction Phase, Native Landscaping Master Plan, and Coastal Sage Scrub ("CSS") and Purple Needlegrass Habitat Mitigation and Monitoring Plan ("HMMP").

**Biological Resources:** Due to ongoing site development, construction-phase Biological Monitoring, including USFWS and CDFW-required cow bird trapping program, will be required during the 2019 nesting bird season commencing February 1, 2019.

**Paleontological Resources:** As part of the State Route 57/State Route 60 Confluence at Grand Avenue Project [MP 99-31 #16] Caltrans required that the Agency prior to and during construction, hire a qualified paleontologist to produce a Paleontological Monitoring and Mitigation Plan for the proposed project, and daily monitoring of construction excavations. Sage Environmental Group agreed and was able to provide those services to the Agency. Their contract was amended in October 2016 and January 25, 2018 to include these services. Reporting for positive paleontological finding was not included as the extent of fossil recovery was not known.

**Discussion:**

**Biological Resources:** As the construction of IBC continues, biological monitoring during the 2019 nesting bird season is required in compliance with the Project's resource agency permits. USFWS and CDFW permits require implementation of a cow bird trapping program, which may require daily monitoring. Therefore, it is necessary to increase the budget by \$54,170.00 to cover these costs through the end of the contract term, ending December 31, 2020.

Paleontological Resources: As the construction of the off-ramp wall footing foundation progressed, significant fossils were encountered that require preparation and filing of a positive paleontology report, and identification and curation of fossils discovered during monitoring that were not in the original or Amendments 1 and 2 budgets. Therefore, it is necessary to increase the budget by \$5,830.00 to cover these costs.

**Fiscal Impact:**

An additional appropriation of \$60,000.00 is now required to cover Amendment No. 3 to the Agreement for Consulting Services through the end of the contract term ending December 31, 2020.

Table 1 – Sage Environmental Group Consulting Services Summary

Agreement for Consulting Services	\$ 244,441.00
Amendment No. 1 to Agreement for Consulting Services	\$ 6,431.60
Amendment No. 2 to Agreement for Consulting Services	\$ 32,300.00
Amendment No. 3 to Agreement for Consulting Services	\$ 60,000.00
<b>Total</b>	<b>\$ 343,172.60</b>

**Recommendation:**

- 1.) Staff recommends that the Board approve Amendment No. 3 in the amount of \$60,000.00 to the Agreement for Consulting Services with Sage Environmental Group for a total not to exceed Agreement amount of \$343,172.60.

**Exhibits:**

- A. Amendment No. 3 to Agreement for Consulting Services dated November 29, 2018
- B. Budget Increase Request from Sage Environmental Group dated October 6, 2018.

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TH/JN/SC:jv



**EXHIBIT A**

Amendment No. 3 to Agreement for Consulting Services dated November 29, 2018

[Attached]

**AMENDMENT NO. 3  
TO AGREEMENT FOR CONSULTING SERVICES WITH  
SAGE ENVIRONMENTAL GROUP**

This Amendment No. 3 to the Agreement for Consulting Services (“Agreement”), is made and entered into this 29<sup>th</sup> day of November, 2018, by and between the Successor Agency to the Industry Urban-Development Agency, a public body, corporate and politic (“Agency”) and Sage Environmental Group, a California Corporation (“Consultant”). The Agency and Consultant are hereinafter collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, on or about July 18, 2013, the Agency Board approved an Agreement for Consulting Services with Sage Environmental Group, to provide biological and regulatory compliance services at the Industry Business Center; and

**WHEREAS**, Caltrans required that a qualified paleontologist produce a Paleontological Monitoring and Mitigation Plan for the proposed project and supervise monitoring of construction activities.

**WHEREAS**, on or about October 13, 2016 the Parties amended the Agreement to include archaeological and paleontological services for the State Route 57/State Route 60 confluence at Grand Avenue Project; and

**WHEREAS**, said amendment increased the compensation to \$250,872.60.

**WHEREAS**, on or about January 25, 2018 the Parties amended the Agreement to include daily archaeological and paleontological monitoring for the State Route 57/State Route 60 confluence at Grand Avenue Project; and

**WHEREAS**, said amendment increased the compensation to \$283,172.60.

**WHEREAS**, given the ongoing Industry Business Center construction phase biological monitoring, including implementation of Resource Agency-required cowbird trapping program, and paleontology reporting, identification and curation of fossils, the Parties desire to amend the Agreement to increase the compensation under the Agreement by \$60,000.00; and

**WHEREAS**, for the reasons set forth herein, the Agency and Consultant desire to enter into this Amendment No. 3, as set forth below.

**AMENDMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement, a copy of which is attached hereto as Exhibit A, and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided:

Section 5, Compensation, is hereby amended as follows:

**Section 5.     Compensation**

Any references to the amount of \$283,172.60 shall be changed to \$343,172.60

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 3 to the Agreement as of the Effective Date.

**“AGENCY”**  
**SUCCESSOR AGENCY TO THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**

**“CONSULTANT”**  
**SAGE ENVIRONMENTAL GROUP**

By: \_\_\_\_\_  
Troy Helling, Executive Director

By: \_\_\_\_\_  
Alissa Cope, Principal

**Attest:**

By: \_\_\_\_\_  
Julie Gutierrez-Robles, Deputy Agency Secretary

**APPROVED AS TO FORM**

By: \_\_\_\_\_  
James M. Casso, Agency General Counsel

**EXHIBIT A TO AMENDMENT NO. 3**

**AGREEMENT FOR CONSULTING SERVICES WITH SAGE GROUP  
ENVIRONMENTAL DATED JULY 18, 2013**

## AGREEMENT FOR CONSULTING SERVICES

**THIS AGREEMENT FOR CONSULTING SERVICES** is entered into this 18<sup>th</sup> day of July, 2013 (the "Effective Date") by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, (the "Agency") and **SAGE ENVIRONMENTAL GROUP**, a California Corporation ("Consultant").

### RECITALS

A. Agency has determined that it requires biological and regulatory compliance services from a consultant for the Industry Business Center.

B. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Agency and Consultant agree, as follows:

1. Consultant's Services.

a. Scope of Services. Subject to the terms and conditions set forth in this Agreement, Consultant shall perform the services set forth in the Scope of Work attached hereto and incorporated herein as Exhibit "A" ("Scope of Work").

b. Project Manager. Consultant's Project Manager on this project will be Alissa Cope, who will have the overall responsibility and will supervise the work performed by Consultant on this project.

c. Personnel. Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. All of the services required under this Agreement will be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Consultant reserves the right to determine the assignment of its own employees to the performance of Consultant's services under this Agreement, but Agency reserves the right, for good cause, to require Consultant to exclude any employee from performing services on Agency's premises.

d. Licenses. Consultant will obtain all necessary licenses, permits and other approvals to perform the work specified in this Agreement and will pay all fees or taxes required for the issuance of the same.

e. Changes to Scope and Cost of Work. Agency or Consultant may, from time to time, request changes in the scope of services and costs in this Agreement to be performed hereunder. Before any work is performed beyond the scope of services in this Agreement, such changes must be mutually agreed upon between Consultant and Agency and incorporated in written amendments to this Agreement.

f. Time for Performance. Consultant shall commence the services on the Effective Date and perform all services in conformance with the project timeline established by the Executive Director, set forth as Exhibit "B."

2. City Representative.

The Executive Director or his designee shall represent the Agency in the implementation of this Agreement.

3. Term of Agreement.

This Agreement shall commence on the Effective Date and shall remain in full force and effect until December 31, 2020, unless sooner terminated as provided in Section 4 herein.

4. Termination.

The Agency may terminate this Agreement for any reason on ten (10) calendar days written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty (60) calendar days written notice to Agency. The effective date of termination shall be upon the date specified in the notice of termination, or, in the event no date is specified, upon the thirtieth (30th) day following delivery of the notice. Consultant agrees to cease all work under this Agreement on or before the effective date of such notice. In the event of termination by Agency, due to no fault or failure of performance by Consultant, Consultant shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. Consultant shall have no other claim against Agency by reason of such termination.

5. Compensation.

a. Compensation [check applicable provision]

Agency will compensate Consultant for the services provided to the reasonable satisfaction of the Agency pursuant to this Agreement. The project will have multiple phases and the exact details of those phases are yet to be determined. At this time and based on the estimated total cost, the total budget for the Consultant has been set at \$244,441. However pursuant to California Assembly Bill No. 1484, the Agency is required to prepare Recognized Obligation Payment Schedules or "ROPS" on a 6 month basis. The ROPS are reviewed for approval by the Oversight Board of the Agency and the State of California Department of Finance. This Agreement and Consultant will be listed in each ROPS for the estimated amount of the services to be provided by Consultant and the compensation projected to be required under this Agreement for each appropriate ROPS period. If the applicable line item in the ROPS is approved by the Agency, Oversight Board and Department of Finance, the Consultant will be notified of the approved amount. The Consultant shall not, during the 6 month period which is the subject of the approved ROPS, provide any services that requires compensation under this Agreement in an amount which exceeds the amount approved under the applicable line item,

based on the hourly rates set forth in Exhibit C attached hereto and incorporated herein by this reference. The initial amount for the ROPs 13-14A period (July 1, 2013 through December 31, 2013) has been approved for \$35,000. At the end of each 6 month period, the amount that was approved for that period will be reduced to zero and the amount approved in the next ROPs will become the new amount which shall not be exceeded during the next applicable 6 month period. Actual payments made to the Consultant will be continuously deducted from the total budgeted amount of \$244,441 until that amount has been fully exhausted or the project which is the subject to this Agreement has been completed. No amounts described above shall be exceeded except upon and pursuant to the prior written authorization by the Agency.

Agency will compensate Consultant for the services provided to the reasonable satisfaction of the Agency pursuant to this Agreement in an aggregate amount not to exceed \$\_\_\_\_\_. Such amount may only be exceeded upon and pursuant to the prior written authorization by the Agency.

b. Expenses [check applicable provision]

The amount set forth in paragraph a shall include Consultant's fees for the services as well as the actual cost of any equipment, materials, and supplies incurred by consultant in performing the work contemplated by this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable).

Consultant shall be entitled to reimbursement only for those expenses expressly set forth in Exhibit C. Any expenses incurred by Consultant which are not expressly authorized by this Agreement will not be reimbursed by City. In no event shall expenses exceed the sum of \_\_\_\_\_.

c. Additional Services. Agency shall make payments for any services requested by Agency not included in the Scope of Services to Consultant on a time and materials basis using Consultant's standard fee schedule.

6. Method of Payment

Consultant shall submit to Agency an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall describe in detail the services rendered during the period and shall show the days worked, number of hours worked and reimbursable expenses, if any, for each day in the period. Each invoice submitted shall include the appropriate documentation for any reimbursable expenses claim by Consultant. Within ten business days of receipt each invoice, Agency shall notify Consultant in writing of any disputed amounts included on the invoice. Within thirty calendar days of receipt of each invoice, Agency shall pay all undisputed amounts included on the invoice. Agency shall not withhold applicable taxes or other authorized deductions from payments made to Consultant. At any time during regular working hours, all records, invoices, time cards, cost control sheets and other records maintained by Consultant shall be available for review and audit by Agency.

7. Ownership of Work Product.

All reports, documents or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of the Agency without restriction or limitation upon its use or dissemination by Agency. Such material shall not be the subject of a copyright application by Consultant. Any re-use by Agency of any such materials on any project other than the project for which they were prepared shall be at the sole risk of the Agency unless Agency compensates Consultant for such use.

8. Records Retention and Access to Records.

a. Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of 2 years. Agency shall have access, without charge, during normal business hours to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings and activities. If applicable under this Agreement, all files, documents, samples, test results, chain of custody logs, and other records and other relevant data developed by Consultant in the course of performing this Agreement shall be maintained for a period of two (2) years after completion of all work and after final payments have been made and shall be made available to Agency upon request.

9. Confidential Status; Disclosure of Information.

All data, reports, documents, materials or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by Agency. Agency shall grant such consent if disclosure is legally required. All Agency data shall be returned to Agency upon the termination of this Agreement. Consultant's covenant under this section shall survive the termination of this Agreement.

10. Qualifications; Standard of Performance.

a. Consultant's Qualifications. Consultant has represented to the Agency that the Consultant, its employees and its subcontractors are knowledgeable, skilled and experienced and fully qualified to provide the services described in this Agreement and to perform such assessment, investigation, and analysis contemplated by the Agreement in accordance with good industry practices of Consultant's profession performing similar services under similar circumstances at the time the services are performed.

b. Standard of Performance. Consultant, its employees and its subcontractors shall perform all work to the highest professional standards and in a manner reasonably satisfactory to Agency, and as described in the Scope of Work. All work performed by Consultant and its employees pursuant to this Agreement will be performed diligently and in a manner consistent with the standards of care, diligence and skill exercised by recognized consulting firms for similar services, and in accordance with all regulatory and good management standards, and in a good, safe and workmanlike manner. Consultant will be responsible to ensure that all work performed by its employees or any contractors is performed to the standards set forth in this Agreement and that such work complies with requirements of any governmental agency or entity and applicable law.



11. Independent Contractor.

a. Consultant is an independent contractor and shall have no power to incur any debt, obligation or liability on behalf of Agency. Consultant shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of Agency.

b. Consultant shall pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the Agency harmless from any and all taxes, assessments, penalties, and interest asserted against the Agency by reason of the independent contractor relationship created by this Agreement. In the event that Agency is audited by any Federal or State agency regarding the independent contractor status of Consultant and the audit in any way fails to sustain the validity of a wholly independent contractor relationship between Agency and Consultant, then Consultant agrees to reimburse Agency for all costs, including accounting and attorney's fees, arising out of such audit and any appeals relating thereto.

c. Consultant shall fully comply with the workers' compensation laws regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the Agency harmless from any failure of Consultant to comply with applicable worker's compensation laws.

d. The Agency shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to the Agency from Consultant as a result of Consultant's failure to promptly pay to the Agency any reimbursement or indemnification arising under this Section.

12. Indemnification.

a. To the fullest extent permitted by law, Consultant hereby shall, at its sole cost and expense, to defend, protect, indemnify, and hold harmless the Agency, its respective officers, attorneys, agents, employees, designated volunteers, successors, and assigns (collectively, "Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, expert witnesses, consultants, or other professionals and all costs associated therewith (collectively, "Claims"), resulting from any negligent act, error, omission or failure to act of Consultant or any of its subcontractors and their respective officers, agents, servants, employees, subcontractors, material men, suppliers or their respective officers, agents, servants or employees in connection with, resulting from, or related to this Agreement or for failure to perform or negligent performance of any term, provision, covenant, or condition of the Agreement, including this indemnity provision. This indemnity provision is effective regardless of any prior, concurrent, or subsequent passive negligence by Indemnitees and shall operate to fully indemnify Indemnitees against any such negligence. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law. Payment is not required as a condition precedent to an Indemnitee's right to recover under this indemnity provision, and an entry of judgment against the Consultant shall be conclusive in favor of the Indemnitee's right to recover under this indemnity provision. Consultant shall pay Indemnitees for any attorneys fees and costs incurred in enforcing this indemnification provision.

Notwithstanding the foregoing, nothing in this instrument shall be construed to encompass (a) Indemnitees' active negligence or willful misconduct to the limited extent that this Agreement is subject to Civil Code § 2782(a), or (b) the contracting public agency's active negligence to the limited extent that this Agreement is subject to Civil Code § 2782(b). This indemnity is effective without reference to the existence or applicability of any insurance coverages which may have been required under this Agreement or any additional insured endorsements which may extend to Indemnitees. This indemnity provision shall survive the termination of this Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law.

b. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against any Indemnitee with respect to those Claims.

c. Consultant agrees to obtain executed indemnity agreements with provisions identical to those in this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations, Consultant agrees to be fully responsible and shall indemnify, hold harmless and defend the Indemnitees from and against any and all Claims resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement as set forth in this Section.

13. Insurance.

a. Consultant shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of commercial general liability insurance written on an occurrence basis with limits no less than \$2,000,000 per occurrence and for all covered losses and \$2,000,000 general aggregate against any injury, death, loss or damage as a result of wrongful or negligent acts by Consultant, its officers, employees, agents, and independent contractors in performance of services under this Agreement;

(2) Automotive liability insurance, with minimum combined single limits coverage of \$1,000,000 covering any vehicle utilized in the performance of services under this Agreement;

(3) Professional liability or Errors and Omissions Insurance as appropriate written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement.

(4) Worker's compensation and employer's liability insurance on a state-approved policy form providing benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.

(5) Pollution Liability Insurance. [check if applicable]

Pollution Liability Insurance written on a Contractor's Pollution Liability form or other form acceptable to Agency providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be not less than \$1,000,000 per claim and \$3,000,000 aggregate.

b. The policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

c. Consultant agrees that if it does not keep the insurance in full force and effect, the Agency may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, the Agency may take out the necessary insurance and pay the premium thereon, and the repayment thereof shall be deemed an obligation of Consultant and the cost of such insurance may be deducted, at the option of Agency, from payments due Consultant, along with a reasonable administrative handling charge.

d. Consultant shall submit to the Agency proof of compliance with these insurance requirements, consisting of a certificate or certificates of insurance and/or endorsements, not less than one (1) day prior to beginning of performance under this Agreement.

e. Consultant shall provide proof that policies of insurance expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

f. The general liability, property damage and automobile policies of insurance shall contain an endorsement naming the Agency, its officers, employees, attorneys, agents and volunteers as additional insureds. All of the policies shall contain an endorsement providing that the policies cannot be modified, canceled or reduced except on thirty (30) days' prior written notice to the Agency. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

g. The insurance provided by Consultant shall be primary to any other coverage available to the Agency. Any insurance or self-insurance maintained by the Agency, its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

h. All insurance coverage provided pursuant to this Agreement should not prohibit Consultant, and Consultant's officers, employees, agents or subcontractors, from

waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the Agency, its officers, employees, agents and representatives.

i. Any deductibles or self-insured retentions must be approved by the Agency. At the option of the Agency, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to the Agency or Consultant shall procure a bond guaranteeing payment of losses and expenses.

j. If Consultant is a Limited Liability Company, the general liability coverage must be amended so that the Limited Liability Company and its managers, affiliates, employees, agents, and other persons necessary or incidental to its operation are insureds.

k. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this Agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to the Agency, its employees, officials and agents.

l. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

m. Consultant agrees to be responsible for ensuring that no contact used by any party involved in any way with the project reserves the right to charge Agency or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to the Agency. It is not the intent of Agency to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against Agency for payment of premiums or other amounts with respect thereto.

n. Consultant agrees to provide immediate notice to Agency of any claim or loss against Consultant arising out of the work performed under this Agreement. Agency assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the Agency.

o. Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 12 of this Agreement.

p. Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.

#### 14. Mutual Cooperation.

a. The Agency shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services.

b. In the event any claim or action is brought against the Agency relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that Agency may require.

15. Notices.

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (a) the day of delivery if delivered by hand or overnight courier service during Agency's and Consultant's regular business hours; or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore below, or to such other addresses as the parties may, from time to time, designate in writing.

If to Agency:

Successor Agency to the Industry Urban-Development Agency  
15625 East Stafford Street  
City of Industry, California 91744  
Attn: Executive Director

With a copy to:

Richards, Watson & Gershon  
355 South Grand Avenue - 40<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attn: William L. Strausz, Esq.  
(213) 626-8484  
Fax: (213) 626-0078

If to Consultant:

Sage Environmental Group  
24040 Camino Del Avion, Suite A77  
Monarch Beach, CA 92629  
Attn: Alissa Cope

16. Representations and Warranties.

Consultant represents, warrants and covenants to the Agency:

a. Organization. Consultant is duly organized, validly existing and in good standing under the laws of the State of California and in each other state in which it conducts business.

b. Agency. Consultant has all requisite licenses, permits, certifications, power and authority to carry on its business as presently conducted, to enter into this Agreement, and to perform its obligations under this Agreement.

c. Approval. The execution, delivery and performance of this Agreement by Consultant and the consummation of the transactions contemplated by this Agreement have been duly and validly authorized by the Board of Directors and are not subject to ratification by the Shareholders of Consultant at a special meeting therefore.

d. Binding Obligation. This Agreement has been duly executed and delivered on behalf of Consultant, and all documents and instruments required hereunder to be executed and delivered by Consultant have likewise been duly executed and delivered. This Agreement does, and such documents and instruments will, constitute legal, valid and binding obligations of Consultant in accordance with their terms. The consummation of the transactions contemplated by this Agreement will not violate, nor be in conflict with, any provision of the partnership agreement, charter, bylaws or governing documents of Consultant (or any of corporations comprising Consultant), or any agreement or instrument to which Consultant is a party or by which Consultant is bound, or any judgment, decree, order statute, rule or regulation applicable to Consultant.

17. Conflicts of Interest

Consultant and its officers, employees, associates and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including, but not limited to, the Political Reform Act (Government Code Section 81000, et. seq.) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subcontractors shall not, without the prior written approval of the Executive Director, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant agrees that a clause substantially similar to this section shall be incorporated into any sub-agreement, which Consultant executes in connection with the performance of this Agreement.

18. Accounting Requirements.

Consultant shall maintain an accounting system and records that properly accumulate and segregate incurred costs by line item for the project under the Scope of Work. The accounting system shall conform to the Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

19. Governing Law.

This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of California.

20. Compliance with Laws.

a. Consultant shall comply with all applicable federal, state and local laws, ordinances, codes and regulations.

b. Compliance with Environmental Laws. [check if applicable]

Consultant shall comply with § 306 of the Federal Clean Air Act (42 U.S.C. §1857(h)), § 508 of the Federal Water Pollution Prevention Act (33 U.S.C. § 368), and the laws implementing those acts, including Executive Order 11,738 and 40 C.F.R. pt. 15.

Consultant shall comply with the provisions of the "Barry Keane Underground Storage Tank Cleanup Trust Fund Act of 1989 (Health & safety Code §§ 25299.10 et. seq. and the applicable regulations promulgated thereunder (California Code of Regulations, Title 23, § 2810 et. seq. Consultant shall also comply with mandatory standards and policies relating to energy efficiency, according the state energy conservation plan issued in compliance with the Federal Energy Policy and Conservation Act.

21. Reliance on Reports [check if applicable]

Consultant understands that Agency will rely upon its reports, analysis and related data. Consultant understands and agrees that the reports prepared by Consultant, and the information, data, test results and the conclusions and analyses contained therein regarding the geologic and environmental condition of a site, and/or the soils and groundwater beneath a site, may be relied upon by the Agency, its program managers, consultants, attorneys and appraisers of a site, any purchaser and developer of a site, (provided that the limitations and restrictions set forth herein shall apply to such purchaser and developer) and may be submitted and relied upon by any local, state or federal agencies and entities, as a part of the evaluation of the risk associated with the development or use of the site and the soils and groundwater beneath a site, and for the purpose of assessing the geotechnical, hydro- geological and/or environmental condition of a site and the ground and surface water on, under and in the area of a site, issuing closure letters, permits, licenses or authorizations to develop a site, and to determine whether further environmental investigation, assessment, review or study is necessary, and so that the Agency and any designated purchaser and developer of any site can conduct construction activities on and develop the site.

22. Discrimination and Equal Employment Opportunity.

In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

23. No Assignment.

Consultant shall not assign or transfer any interest in this Agreement nor the performance of any of Consultant's obligations hereunder, nor shall it subcontract any of the work described in this Agreement or the Scope of Work without the prior written consent of Agency, and any attempt by Consultant to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

24. Non-Waiver of Terms, Rights and Remedies.

Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by Agency of any payment to Consultant constitute or be construed as a waiver by Agency of any breach of covenant, or any default which may then

exist on the part of Consultant, and the making of any such payment by Agency shall in no way impair or prejudice any right or remedy available to Agency with regard to such breach or default.

25. Attorneys' Fees.

If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of the services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs in addition to any other relief to which it may be entitled.

26. Time Is Of The Essence.

Time is hereby expressly declared to be of the essence of this Agreement and of each and every provision hereof; and each and every provision hereof is hereby declared to be and made a material, essential and necessary part of this Agreement.

27. Exhibits; Precedence.

All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

28. Entire Agreement and Amendments.

This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between Consultant and the Agency. This Agreement supercedes all prior oral or written negotiations, representations or agreements. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by the parties which expressly refers to this Agreement.

29. Severability.

Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law. If any provision of this Agreement, is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

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



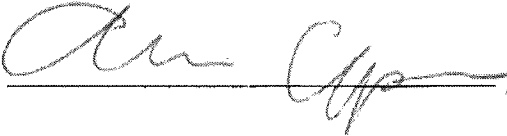
WHEREFORE, the parties hereto have executed this Agreement as of the date first above written.

**SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT  
AGENCY**

By:   
Kevin Radecki, Executive Director

**SAGE ENVIRONMENTAL GROUP**

By: , Principal

By: , COO

**EXHIBIT A**

**Scope of Services**

**Exhibit "A"**  
**SAGE ENVIRONMENTAL GROUP**  
Environmental • Biological • Habitat Restoration • Regulatory Compliance Services

June 5, 2013

Mr. Kevin Radecki  
Successor Agency to the Industry Urban-Development Agency  
P.O. Box 3366  
15625 East Stafford Street  
City of Industry, CA 91744-0366

Electronic Transmittal

**Subject:** Scope of Services – Consultant Services to provide Biological and Regulatory Compliance Services

**Project:** Industry Business Center Project (600-acre) Project, City of Industry, Los Angeles County, CA

Dear Mr. Radecki,

Thank you for the opportunity to provide biological and regulatory compliance services for the continued implementation of the 600-acre Industry Business Center Project (Project). The biological and regulatory compliance requirements for the project are based upon the *Final Mitigation and Monitoring Program, Industry Business Center Revised Plan of Development (IBC MMP)*, prepared by The Planning Center (TPC), dated February 2009, and the project specific resource agency permits<sup>1</sup>, specifically the United States Fish and Wildlife Service Biological Opinion (FWS-LA-1 OB0545-1 010723, USFWS BO), which requires preconstruction, design-phase, and post project mitigation measures to address impacts to onsite biological resources. Principal compliance tasks include:

**Task 1: Biological Monitoring – Pre-Construction and Construction Phase**

Of special Project interest is the coastal Californian gnatcatcher (*Polioptila californica*) and least Bell's vireo (*Vireo bellii pusillus*). Both of these federal and state listed sensitive species have been historically observed onsite. Consistent with the requirements of the USFWS BO, all construction will be monitored utilizing to ensure minimization of Act (ESA) and the federal Migratory Bird Treaty Act (MBTA). Biological monitoring will cover construction impacts to the extent feasible and compliance with the federal Endangered Species the area of direct impact and a 500-foot buffer area for associated coastal sage scrub (CSS) and riparian vegetation. *We recommend pre-construction grubbing of any remnant habitat areas within the construction footprint occur October 1 through February 1 to avoid any nesting bird potential impacts.*

The proposed scope of work includes: 1) review of lighting plans and potential noise generation sources to reduce spillover into the adjacent 26-acre Diamond Bar Creek restoration area in compliance with the USFWS BO, 2) construction contractor education program; 3) oversight of the installation of construction staking/fencing; 4) a pre-construction nesting bird survey of the

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<sup>1</sup> California Department of Fish and Game Streambed Alteration Unit; Regional Water Quality Control Board, Los Angeles Region, 401 Unit; United States Army Corps of Engineers, Los Angeles District, Regulatory Division, South Coast Section; United States Fish and Wildlife Service, Carlsbad Office.

## Exhibit "A"

Project site and adjacent 300 foot buffer area; 5) weekly monitoring during site clearing; 6) monitoring after the initial site clearance is finished for the duration of construction work to ensure compliance with Resource Agency permit conditions, and project-specific biological resources mitigation and monitoring measures as defined in supporting documentation.

### Task 2: Native Landscaping Master Plan

Consistent with the IBC MMP MM 5-1 (as revised), native landscaping shall encompass all manufactured slopes or approximately 200 acres of the project site. In 2010, SAGE developed a *Native Landscaping Concept Plan* for oak woodland, chamise chaparral, riparian woodland and seasonal wildflowers/flowering scrubs for possible use onsite. The Plan was designed to accommodate the very alkaline subsoil (8.9 pH) present within the Project site. In collaboration with Environs Landscape Architecture, Inc., design plans were implemented for a three acre test plot utilizing alkaline-tolerant natives. The test site performed well. The raptor perches installed to control ground squirrel at the test site were also a very successful vector/burrow control, avoiding ongoing pesticides use. SAGE suggests raptor perches be utilized for the 200-acre area.

The primary elements of the Native Landscaping Master Plan will include:

- **Plant Type** – Distinct areas of oak woodland, chamise chaparral, riparian woodland, grassland and seasonal wildflowers/flowering scrubs will be defined to create visual texture and variety characteristic of native open space within the region.
- **Soil Evaluation** - The existing soils and potential soil amendments will be evaluated to ensure healthy plant growth with minimal maintenance requirements. We understand the post-graded soil surface will be exposed subsoil containing heavy clays/alkaline with little organic matter. The Master Plan will include soil appropriate plant species where feasible, and include soil amendment recommendations to accommodate other species.
- **Plant Longevity** - Plant selection will include scrub and tree species with a 30-40+ year lifespan and include a mix of quick and slower growing species to ensure initial establishment and a long-term viability.
- **Seasonal Color** - The Master Plan layout will include bands of seasonal color to provide year-round color rotation and interest.
- **Maintenance Regime** – Landscaping maintenance within native areas is generally less intensive than tradition landscaping, and generally results in significantly lower ongoing cost. It is anticipated that the overall native landscaped areas will have ongoing irrigation, seasonal mowing/mulching of target areas, and limbing up of trees species to ensure a neat and orderly appearance with year-round foliage. Minimal weeding will be required.

SAGE will work collaboratively Environs to develop a Native Landscaping Master Plan based on 2010 Concept Plan. The Master Plan will define the general planting locations and plant pallets, and general irrigation and maintenance requirements for each landscape type.

# Exhibit "A"

Mr. Kevin Radecki  
Page 3  
June 5, 2013

## Task 3: CSS and Purple Needlegrass HMMP – Year 1 through 3

Consistent with the IBC MMP MM 3-6, a minimum of 10.9 acres of CSS (planted as a single patch) and 4.8 acres of purple needlegrass (planted as a single patch) will be established within the Project's 200-acre native landscaped area. SAGE will consult with the California Department of Fish and Wildlife (CDFW), formerly CDFG, the USFWS, and the Project's landscape architect on the location, implementation protocol, and installation and maintenance of these resources to ensure their successful establishment and perpetuity protection.


The habitat mitigation will be implemented in accordance with a resource agency-approved Habitat mitigation and Monitoring Plan (HMMP). Sage Environmental Group (SAGE) will draft the HMMP, and provide oversight and monitoring for the HMMP installation and maintenance to be done by a licensed Landscape Contractor. SAGE will be responsible for implementation management, including assisting the landscape architect in the development of bid specifications, and construction-phase management and oversight for the habitat areas. The monitoring effort will include qualitative evaluations for a three year period, as defined in the HMMP. Annual success evaluations reports will be prepared following the completion of installation.

### Fee Schedule

Tasks	
Task 1: Biological Monitoring – Pre-Construction and Construction Phase	85,040
Task 2: Native Landscaping Master Plan	83,481
Task 3: CSS and Purple Needlegrass HMMP – Year 1 through 3	75,920
<b>Total - Time and Materials Not-to-Exceed Fee</b>	<b>244,441</b>

If you have any questions regarding this Scope of Services request, please feel free to call me at 949.243.2282. We look forward to continuing to work with you on this interesting project.

Sincerely,



Alissa Cope  
Principal  
Sage Environmental Group

Accepted By:  
Successor Agency to the  
Industry Urban-Development Agency

\_\_\_\_\_  
Kevin Radecki

**SAGE**

Consultant Services to provide Biological and Regulatory Compliance Services  
Industry Business Center (800 acre) Project, City of Industry, Los Angeles County, CA

**Exhibit "A"**  
**SAGE ENVIRONMENTAL GROUP**  
Environmental • Biological • Habitat Restoration • Regulatory Compliance Services

June 5, 2013

Mr. Kevin Radecki  
Successor Agency to the Industry Urban-Development Agency  
P.O. Box 3366  
15625 East Stafford Street  
City of Industry, CA 91744-0366

Electronic Transmittal

**Subject:** ROPS Request - July 1, 2013 through December 31, 2013  
Consultant Services to provide Biological and Regulatory Compliance Services

**Project:** Industry Business Center Project (600-acre) Project, City of Industry, Los Angeles County, CA

Dear Mr. Radecki,

Thank you for the opportunity to provide biological and regulatory compliance services for the continued implementation of the 600-acre Industry Business Center Project (Project). The biological and regulatory compliance requirements for the project are based upon the *Final Mitigation and Monitoring Program, Industry Business Center Revised Plan of Development (IBC MMP)*, prepared by The Planning Center (TPC), dated February 2009, and the project specific resource agency permits<sup>1</sup>, specifically the United States Fish and Wildlife Service Biological Opinion (FWS-LA-1 OB0545-1 010723, USFWS BO), which requires preconstruction, design-phase, and post project mitigation measures to address impacts to onsite biological resources.

For the six month period of July 1, 2013 through December 31, 2013, we anticipate the following items will need to be addressed:

- **Task 1: Biological Monitoring – Pre-Construction and Construction Phase:** Biological monitoring for pre-construction grubbing of any remnant habitat areas within the construction footprint to start in October 2013 to avoid the bird nesting season.
- **Task 2: Native Landscaping Master Plan:** Coordination with the landscape architect for the preparation of the Native Landscaping Master Plan.
- **Task 3: CSS and Purple Needlegrass HMMP – Year 1 through 3:** Preparation of the CSS and Purple Needlegrass HMMP.

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<sup>1</sup> California Department of Fish and Game Streambed Alteration Unit; Regional Water Quality Control Board, Los Angeles Region, 401 Unit; United States Army Corps of Engineers, Los Angeles District, Regulatory Division, South Coast Section; United States Fish and Wildlife Service, Carlsbad Office.

Mr. Kevin Radecki  
Page 2  
June 5, 2013

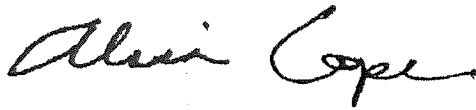
## Exhibit "A"

- Resource Agency coordination in preparation for project implementation will also be required.

We anticipate a budget of \$35,00 in order to accomplish these tasks during the July through December time period.

If you have any questions regarding this ROPS Request - July 1, 2013 through December 31, 2013, please feel free to call me at 949.243.2282. We look forward to continuing to work with you on this interesting project.

Sincerely,



Alissa Cope  
Principal  
Sage Environmental Group

Accepted By:  
Successor Agency to the  
Industry Urban-Development Agency

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Kevin Radecki

**SAGE**

ROPS Request - July 1, 2013 through December 31, 2013  
Consultant Services to provide Biological and Regulatory Compliance Services  
Industry Business Center (600 acre) Project, City of Industry, Los Angeles County, CA

## **EXHIBIT B**

### **Project Timeline**



## EXHIBIT B

### Project Timeline

Start date: July 18, 2013

Estimated end of construction: December 31, 2020

Upon the start of construction a more detailed project schedule will be established.

**EXHIBIT C**

**Professional Fee Schedule  
Hourly Rates**

# Exhibit "C"

Sage Environmental Group  
 June 5, 2013  
 Industry Business Center Project (600-acre) Project

TASK	DESCRIPTION	Principal in Charge	Project Manager	Senior Biologist	Assoc. Biologist	Assoc. Environmental Planner	CAD/GIS	WP	TOTAL HOURS	ESTIMATED FEE
		\$ 148.00	\$ 138.00	\$ 125.00	\$ 105.00	\$ 105.00	\$ 98.00	\$ 68.00		
Task 1	Biological Monitoring for Construction Phase	200	98	200	100	40	40	10	688	\$5,040.00
Task 2	Native Landscaping Master Plan (200-acres)	300	60	141	100	28	20	22	663	\$3,481.90
Task 3	ICSS and Purple Needlegrass HMMP - Year 1 through 3	180	100	200	100	4	40	10	614	\$5,920.00
<b>TOTAL PROPOSED FEE</b>										<b>244,441.00</b>

**EXHIBIT B**

Budget Increase Request from Sage Environmental Group dated October 6, 2018

[Attached]

# SAGE ENVIRONMENTAL GROUP

Environmental • Biological • Habitat Restoration • Regulatory Compliance Services

October 6, 2018

VIA ELECTRONIC TRANSMITTAL

Mr. Troy Helling, Executive Director  
Successor Agency to the Industry Urban Development Agency  
15625 East Stafford Street  
City of Industry, CA 91744-0366

**Subject: Proposal to Provide Continued Biological and Paleontological Services**

**Project: Amendment No. 3 to the Agreement for Consulting Services Sage Environmental Group, 14-SAGE 13-01 B MP 99-31 #16 Industry Business Center, City of Industry, Los Angeles County, California**

Dear Mr. Helling,

Thank you for the opportunity to submit this proposal to provide continued biological and paleontological services for the ongoing development of the Industry Business Center project. The Principal Compliance Tasks include:

**Task 1: Biological Monitoring – Construction Phase** **\$54,170**

Coastal California gnatcatcher and least Bells vireo, both federally and state-listed sensitive species, are known present within the project site, specially within and adjacent to Diamond Bar Creek. Due to their known presence and as required by the Project's United States Fish and Wildlife Service Biological Opinion, all construction activities within 500-feet of suitable habitat will be monitored at least weekly during the bird breeding season, generally defined as February 1 through September 30, to ensure compliance with the federal Endangered Species Act and the federal migratory Bird Treaty Act. In addition, USFWS and CDFW permits require implementation of a cow bird trapping program, which may require daily monitoring.

**Task 2: Paleontological Reporting and Curation** **\$5,830**

This tasks provides filing of a positive paleontology report and fossil curation, as further defined in the attached Augment Request from PaleoSolutions, dated October 22, 2018.

The terms and conditions of this proposal will remain valid for 60 days. If you have any questions regarding this proposal, please feel free to call me directly at 949.243.2282. We look forward to continuing to work with you on this interesting projects.

Sincerely,



Alissa Cope, Principal  
**Sage Environmental Group**

Accepted By:

**Successor Agency to the  
Industry Urban Development Agency**

Mr. Troy Helling  
Executive Director

Date

Attachment: Augment Request from PaleoSolutions, dated October 22, 2018

*SUCCESSOR AGENCY*

ITEM NO. 5.3



SUCCESSOR AGENCY TO THE  
**INDUSTRY URBAN - DEVELOPMENT  
AGENCY**

**MEMORANDUM**

**TO:** Honorable Chairman and Members of the Successor Agency to the Industry Urban-Development Agency Board

**FROM:** Troy Helling, Executive Director *T.H.*

**STAFF:** Joshua Nelson, Contract Agency Engineer, CNC Engineering *gn*  
Sean Calvillo, Project Manager, CNC Engineering *S.C.*

**DATE:** November 29, 2018

**SUBJECT:** Consideration of Amendment No. 5 to the Agreement for Consulting Services with Stearns, Conrad and Schmidt, Consulting Engineers, Inc., in the amount of \$273,000.00 for a total Agreement amount not to exceed \$1,225,550.00 through December 31, 2020

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**Background:**

On December 19, 2013, the Successor Agency to the Industry Urban-Development Agency ("Agency") approved an Agreement for Consulting Services with Stearns, Conrad and Schmidt, Consulting Engineers, Inc., ("SCS") to provide landfill engineering services during the mass grading construction phase of the Agency's Industry Business Center East Development. SCS is listed in the Recognized Obligation Payment Schedule ("ROPS") under Line Item No. 221.

On February 24, 2015, the Agency approved Amendment No. 1, a budget increase for continued landfill engineering services during the mass grading construction phase of the Agency's Industry Business Center East Development. On January 25, 2016, the Agency approved Amendment No. 2, to amend the Agreement to include installation of the landfill gas ("LFG") control system mechanical and electrical components and to provide continued assistance with engineering, maintenance and monitoring and regulatory compliance issues related to the presence of the landfill during the post-construction phase.

On December 22, 2016, the Agency approved Amendment No. 3 which included performance source tests on the carbon treatment system, including preparation of a test plan to be submitted to the South Coast Air Quality Management District ("SCAQMD"), as well as oversight during system testing and review of the final report. SCS continues to provide landfill engineering services during the post-construction phase and startup of the gas control system for the Industry Business Center East

Development. In addition, they also oversee and document the installation of five (5) landfill gas monitoring wells to document any landfill gas mitigation.

On July 26, 2018, the Agency approved Amendment No. 4, providing funding for continued work for as-requested engineering, permitting and environmental operation, monitoring and maintenance services, through December 31, 2018. Additionally, SCS has been working with the SCAQMD on permit requirements for monitoring and reporting emissions at the Valley Land Development Landfill. SCS filed for an exemption with SCAQMD to allow a reduction in site monitoring requirements and compliance costs, without compromising public safety and environmental protection. SCAQMD is processing this permit and SCS must continue to perform work complying with all the required regulations. We are still hoping that SCAQMD will reduce the monitoring requirements but have yet to grant that reduction. At the time of SCAQMD permit approval, costs will be greatly reduced to monitor the site.

**Discussion:**

Presently, Amendment No. 5 includes a budget increase of \$273,000.00 in order to complete the work through the end of ROPS period of 18-19B and through the end of the contract term, December 31, 2020. This will cover the same work that Amendment No. 4 covered for ROPS 18-19A, including continued work of as-requested engineering, permitting and environmental operation, monitoring and maintenance services. Also, future ROPS are covered as SCS will continue to provide landfill monitoring services until the property is sold.

In addition, SCS will perform annual regulatory requirements for proving through testing protocol and monitoring that the GCCS is operating within SCAQMD permit standard. This includes an annual source test that will test the entire monitoring system to verify it is meeting emissions requirements, administer Carbon Media changeouts, and provide the quarterly monitoring and reporting on the perimeter monitoring probes. A contingency is included for any unexpected regulatory compliance, permitting, Gas Collection and Control System (GCCS) repairs and 3<sup>rd</sup> party support services cost fluctuations.

As SCAQMD continues to process the permit, SCS continues to perform work complying with all the regulations required. SCS has submitted a proposal for the additional budget required for the remainder of the contract term and CNC Engineering (“CNC”) has reviewed it and finds it to be in order.

**Fiscal Impact:**

SCS has submitted a request for a total budget increase of \$273,000.00. CNC has reviewed the proposal and found it to be in order. This amount reflects the approved budget for Line Item 221 in ROPS 18-19 and covers future ROPS as well.



Table 1 – Project Summary

Agreement for Consulting Services	\$243,018.00
Amendment No. 1	\$305,830.00
Amendment No. 2	\$292,052.00
Amendment No. 3	\$31,650.00
Amendment No. 4	\$80,000.00
Amendment No. 5	\$273,000.00
<b>Total</b>	<b>\$1,225,550.00</b>

**Recommendation:**

- 1.) It is recommended that the Board approve Amendment No. 5 in the amount of \$273,000.00 to the Agreement for Consulting Services with Stearns, Conrad and Schmidt, Consulting Engineers, Inc. for a total not to exceed Agreement amount of \$1,225,550.00.

**Exhibits:**

- A. Amendment No. 5 to Agreement for Consulting Services dated November 29, 2018
  - B. Budget Increase Request from Stearns, Conrad and Schmidt, Consulting Engineers, Inc., dated November 8, 2018
- 

TH/JN/SC:jv

**EXHIBIT A**

Amendment No. 5 to Agreement for Consulting Services dated November 29, 2018

[Attached]

**AMENDMENT NO. 5  
TO AGREEMENT FOR CONSULTING SERVICES WITH STEARNS, CONRAD AND  
SCHMIDT, CONSULTING ENGINEERS, INC.**

This Amendment No. 5 to the Agreement for Consulting Services (“Agreement”), is made and entered into this 29<sup>th</sup> day of November, 2018, (“Effective Date”) by and between the Successor Agency to the Industry Urban-Development Agency, a California municipal corporation (“Agency”) and Stearns, Conrad and Schmidt, Consulting Engineers, Inc., dba SCS Engineers, a Virginia corporation (“Consultant”). The City and Consultant are hereinafter collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, on or about December 19, 2013, the Agency, approved an Agreement for Consulting Services with Stearns, Conrad and Schmidt, Consulting Engineers, Inc., to provide landfill engineering and consulting services; and

**WHEREAS**, on or about February 24, 2015, the Agency approved a budget increase, increasing the Agreement compensation by \$305,830.00 for continued landfill engineering services during the mass grading construction phase of the Agency’s Industry Business Center East development; and

**WHEREAS**, on or about January 25, 2016, the Agency approved Amendment No. 2 to amend the Agreement to include installation of the LFG control system mechanical and electrical components and to provide continued assistance with engineering, maintenance and monitoring and regulatory compliance issues related to the presence of the landfill during the post-construction phase; and

**WHEREAS**, on or about December 22, 2016, Amendment No. 3 to the Agreement was entered into and executed between the Agency and Consultant to amend the Scope of Services to include preparation of a test plan to be submitted to SCAQMD and consulting services for the Agency; and

**WHEREAS**, on or about July 26, 2018, Amendment No. 4 to the Agreement was entered into and executed between the Agency and Consultant to amend the Agreement to increase the compensation to \$952,550.00 to allow for continued services through the next ROPS period of 18-19A; and

**WHEREAS**, the Parties desire to amend the Agreement to extend the term, increase the compensation to allow for continued services, and perform annual and quarterly monitoring tests through December 31, 2020; and

**WHEREAS**, for the reasons set forth herein, the City and Consultant desire to enter into this Amendment No. 5, as set forth below.

## AMENDMENT

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement, a copy of which is attached hereto as Exhibit A, and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided:

Section 3, Term, is hereby amended in its entirety to read as follows:

**Section 3. 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 alter than December 31, 2020, unless sooner terminated pursuant to the provisions of this Agreement.

Section 5, Compensation, is hereby amended as follows:

**Section 5. Compensation**

The dollar figure of \$952,550.00 shall be amended, in all instances, to read \$1,225,550.00.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 5 to the Agreement as of the Effective Date.

**“AGENCY”**  
**SUCCESSOR AGENCY TO THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**

**“CONSULTANT”**  
**STEARNS, CONRAD AND SCHMIDT**  
**CONSULTING ENGINEERS, INC.**

By: \_\_\_\_\_  
Mark D. Radecki, Chairman

By: \_\_\_\_\_  
Joseph J. Miller, P.E., Vice President

**Attest:**

By: \_\_\_\_\_  
Julie Gutierrez-Robles, Deputy Agency Secretary

**APPROVED AS TO FORM**

By: \_\_\_\_\_  
James M. Casso, Agency General Counsel

**EXHIBIT A TO AMENDMENT NO. 5:**

**AGREEMENT FOR CONSULTING SERVICES WITH STEARNS, CONRAD AND  
SCHMIDT, CONSULTING ENGINEERS, INC. DATED DECEMBER 19, 2013**

## AGREEMENT FOR CONSULTING SERVICES

**THIS AGREEMENT FOR CONSULTING SERVICES** is entered into this 19<sup>th</sup> day of December, 2013 (the "Effective Date") by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, (the "Agency") and **STEARNS, CONRAD AND SCHMIDT, CONSULTING ENGINEERS, INC. DBA AS SCS ENGINEERS**, a Virginia Corporation ("Consultant").

### RECITALS

A. Agency has determined that it requires landfill consultation services from a consultant for the Industry Business Center.

B. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Agency and Consultant agree, as follows:

1. Consultant's Services.

a. Scope of Services. Subject to the terms and conditions set forth in this Agreement, Consultant shall perform the services set forth in the Scope of Work attached hereto and incorporated herein as Exhibit "A" ("Scope of Work").

b. Project Manager. Consultant's Project Manager on this project will be Joseph Miller, who will have the overall responsibility and will supervise the work performed by Consultant on this project.

c. Personnel. Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. All of the services required under this Agreement will be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Consultant reserves the right to determine the assignment of its own employees to the performance of Consultant's services under this Agreement, but Agency reserves the right, for good cause, to require Consultant to exclude any employee from performing services on Agency's premises.

d. Licenses. Consultant will obtain all necessary licenses, permits and other approvals to perform the work specified in this Agreement and will pay all fees or taxes required for the issuance of the same.

e. Changes to Scope and Cost of Work. Agency or Consultant may, from time to time, request changes in the scope of services and costs in this Agreement to be performed hereunder. Before any work is performed beyond the scope of services in this

f. Time for Performance. Consultant shall commence the services on the Effective Date and perform all services in conformance with the project timeline established by the Executive Director, set forth as Exhibit "B."

2. City Representative.

The Executive Director or his designee shall represent the Agency in the implementation of this Agreement.

3. Term of Agreement.

This Agreement shall commence on the Effective Date and shall remain in full force and effect until December 31, 2020, unless sooner terminated as provided in Section 4 herein.

4. Termination.

The Agency may terminate this Agreement for any reason on ten (10) calendar days written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty (60) calendar days written notice to Agency. The effective date of termination shall be upon the date specified in the notice of termination, or, in the event no date is specified, upon the thirtieth (30th) day following delivery of the notice. Consultant agrees to cease all work under this Agreement on or before the effective date of such notice. In the event of termination by Agency, due to no fault or failure of performance by Consultant, Consultant shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. Consultant shall have no other claim against Agency by reason of such termination.

5. Compensation.

a. Compensation [check applicable provision]

Agency will compensate Consultant for the services provided to the reasonable satisfaction of the Agency pursuant to this Agreement. The project will have multiple phases and the exact details of those phases are yet to be determined. At this time and based on the estimated total cost, the total budget for the Consultant has been set at \$243,018.00. However pursuant to California Assembly Bill No. 1484, the Agency is required to prepare Recognized Obligation Payment Schedules or "ROPs" on a 6 month basis. The ROPs are reviewed for approval by the Oversight Board of the Agency and the State of California Department of Finance. This Agreement and Consultant will be listed in each ROPs for the estimated amount of the services to be provided by Consultant and the compensation projected to be required under this Agreement for each appropriate ROPs period. If the applicable line item in the ROPs is approved by the Agency, Oversight Board and Department of Finance, the Consultant will be notified of the approved amount. The Consultant shall not, during the 6 month period which is the subject of the approved ROPS, provide any services that requires compensation under this Agreement in an amount which exceeds the amount approved under the applicable line item,



based on the hourly rates set forth in Exhibit C attached hereto and incorporated herein by this reference. The initial amount for the ROPs 13-14B period (January 1, 2014 through June 30, 2014) has been approved for \$50,000.00. At the end of each 6 month period, the amount that was approved for that period will be reduced to zero and the amount approved in the next ROPs will become the new amount which shall not be exceeded during the next applicable 6 month period. Actual payments made to the Consultant will be continuously deducted from the total budgeted amount of \$243,018.00 until that amount has been fully exhausted or the project which is the subject to this Agreement has been completed. No amounts described above shall be exceeded except upon and pursuant to the prior written authorization by the Agency.

Agency will compensate Consultant for the services provided to the reasonable satisfaction of the Agency pursuant to this Agreement in an aggregate amount not to exceed \$\_\_\_\_\_. Such amount may only be exceeded upon and pursuant to the prior written authorization by the Agency.

b. Expenses [check applicable provision]

The amount set forth in paragraph a shall include Consultant's fees for the services as well as the actual cost of any equipment, materials, and supplies incurred by consultant in performing the work contemplated by this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable).

Consultant shall be entitled to reimbursement only for those expenses expressly set forth in Exhibit C. Any expenses incurred by Consultant which are not expressly authorized by this Agreement will not be reimbursed by City. In no event shall expenses exceed the sum of \_\_\_\_\_.

c. Additional Services. Agency shall make payments for any services requested by Agency not included in the Scope of Services to Consultant on a time and materials basis using Consultant's standard fee schedule.

6. Method of Payment

Consultant shall submit to Agency an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall describe in detail the services rendered during the period and shall show the days worked, number of hours worked and reimbursable expenses, if any, for each day in the period. Each invoice submitted shall include the appropriate documentation for any reimbursable expenses claim by Consultant. Within ten business days of receipt each invoice, Agency shall notify Consultant in writing of any disputed amounts included on the invoice. Within thirty calendar days of receipt of each invoice, Agency shall pay all undisputed amounts included on the invoice. Agency shall not withhold applicable taxes or other authorized deductions from payments made to Consultant. At any time during regular working hours, all records, invoices, time cards, cost control sheets and other records maintained by Consultant shall be available for review and audit by Agency.

7. Ownership of Work Product.

All reports, documents or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of the Agency without restriction or limitation upon its use or dissemination by Agency. Such material shall not be the subject of a copyright application by Consultant. Any re-use by Agency of any such materials on any project other than the project for which they were prepared shall be at the sole risk of the Agency unless Agency compensates Consultant for such use.

8. Records Retention and Access to Records.

a. Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of 2 years. Agency shall have access, without charge, during normal business hours to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings and activities. If applicable under this Agreement, all files, documents, samples, test results, chain of custody logs, and other records and other relevant data developed by Consultant in the course of performing this Agreement shall be maintained for a period of two (2) years after completion of all work and after final payments have been made and shall be made available to Agency upon request.

9. Confidential Status; Disclosure of Information.

All data, reports, documents, materials or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by Agency. Agency shall grant such consent if disclosure is legally required. All Agency data shall be returned to Agency upon the termination of this Agreement. Consultant's covenant under this section shall survive the termination of this Agreement.

10. Qualifications; Standard of Performance.

a. Consultant's Qualifications. Consultant has represented to the Agency that the Consultant, its employees and its subcontractors are knowledgeable, skilled and experienced and fully qualified to provide the services described in this Agreement and to perform such assessment, investigation, and analysis contemplated by the Agreement in accordance with good industry practices of Consultant's profession performing similar services under similar circumstances at the time the services are performed.

b. Standard of Performance. Consultant, its employees and its subcontractors shall perform all work to the highest professional standards and in a manner reasonably satisfactory to Agency, and as described in the Scope of Work. All work performed by Consultant and its employees pursuant to this Agreement will be performed diligently and in a manner consistent with the standards of care, diligence and skill exercised by recognized consulting firms for similar services, and in accordance with all regulatory and good management standards, and in a good, safe and workmanlike manner. Consultant will be responsible to ensure that all work performed by its employees or any contractors is performed to

the standards set forth in this Agreement and that such work complies with requirements of any governmental agency or entity and applicable law.

11. Independent Contractor.

a. Consultant is an independent contractor and shall have no power to incur any debt, obligation or liability on behalf of Agency. Consultant shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of Agency.

b. Consultant shall pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the Agency harmless from any and all taxes, assessments, penalties, and interest asserted against the Agency by reason of the independent contractor relationship created by this Agreement. In the event that Agency is audited by any Federal or State agency regarding the independent contractor status of Consultant and the audit in any way fails to sustain the validity of a wholly independent contractor relationship between Agency and Consultant, then Consultant agrees to reimburse Agency for all costs, including accounting and attorney's fees, arising out of such audit and any appeals relating thereto.

c. Consultant shall fully comply with the workers' compensation laws regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the Agency harmless from any failure of Consultant to comply with applicable worker's compensation laws.

d. The Agency shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to the Agency from Consultant as a result of Consultant's failure to promptly pay to the Agency any reimbursement or indemnification arising under this Section.

12. Indemnification.

a. To the fullest extent permitted by law, Consultant hereby shall, at its sole cost and expense, to defend, protect, indemnify, and hold harmless the Agency, its respective officers, attorneys, agents, employees, designated volunteers, successors, and assigns (collectively, "Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, expert witnesses, consultants, or other professionals and all costs associated therewith (collectively, "Claims"), resulting from any negligent act, error, omission or failure to act of Consultant or any of its subcontractors and their respective officers, agents, servants, employees, subcontractors, material men, suppliers or their respective officers, agents, servants or employees in connection with, resulting from, or related to this Agreement or for failure to perform or negligent performance of any term, provision, covenant, or condition of the Agreement, including this indemnity provision. This indemnity provision is effective regardless of any prior, concurrent, or subsequent passive negligence by Indemnitees and shall operate to fully indemnify Indemnitees against any such negligence. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law. Payment is not required as a condition precedent to an Indemnitee's right to recover under this indemnity

provision, and an entry of judgment against the Consultant shall be conclusive in favor of the Indemnitee's right to recover under this indemnity provision. Consultant shall pay Indemnitees for any attorneys fees and costs incurred in enforcing this indemnification provision. Notwithstanding the foregoing, nothing in this instrument shall be construed to encompass (a) Indemnitees' active negligence or willful misconduct to the limited extent that this Agreement is subject to Civil Code § 2782(a), or (b) the contracting public agency's active negligence to the limited extent that this Agreement is subject to Civil Code § 2782(b). This indemnity is effective without reference to the existence or applicability of any insurance coverages which may have been required under this Agreement or any additional insured endorsements which may extend to Indemnitees. This indemnity provision shall survive the termination of this Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law.

b. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against any Indemnitee with respect to those Claims.

c. Consultant agrees to obtain executed indemnity agreements with provisions identical to those in this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations, Consultant agrees to be fully responsible and shall indemnify, hold harmless and defend the Indemnitees from and against any and all Claims resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement as set forth in this Section.

13. Insurance.

a. Consultant shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of commercial general liability insurance written on an occurrence basis with limits no less than \$2,000,000 per occurrence and for all covered losses and \$2,000,000 general aggregate against any injury, death, loss or damage as a result of wrongful or negligent acts by Consultant, its officers, employees, agents, and independent contractors in performance of services under this Agreement;

(2) Automotive liability insurance, with minimum combined single limits coverage of \$1,000,000 covering any vehicle utilized in the performance of services under this Agreement;

(3) Professional liability or Errors and Omissions Insurance as appropriate written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the

insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement.

(4) Worker's compensation and employer's liability insurance on a state-approved policy form providing benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.

(5) Pollution Liability Insurance. [check if applicable]

Pollution Liability Insurance written on a Contractor's Pollution Liability form or other form acceptable to Agency providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be not less than \$1,000,000 per claim and \$3,000,000 aggregate.

b. The policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

c. Consultant agrees that if it does not keep the insurance in full force and effect, the Agency may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, the Agency may take out the necessary insurance and pay the premium thereon, and the repayment thereof shall be deemed an obligation of Consultant and the cost of such insurance may be deducted, at the option of Agency, from payments due Consultant, along with a reasonable administrative handling charge.

d. Consultant shall submit to the Agency proof of compliance with these insurance requirements, consisting of a certificate or certificates of insurance and/or endorsements, not less than one (1) day prior to beginning of performance under this Agreement.

e. Consultant shall provide proof that policies of insurance expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

f. The general liability, property damage and automobile policies of insurance shall contain an endorsement naming the Agency, its officers, employees, attorneys, agents and volunteers as additional insureds. All of the policies shall contain an endorsement providing that the policies cannot be modified, canceled or reduced except on thirty (30) days' prior written notice to the Agency. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

g. The insurance provided by Consultant shall be primary to any other coverage available to the Agency. Any insurance or self-insurance maintained by the Agency, its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

h. All insurance coverage provided pursuant to this Agreement should not prohibit Consultant, and Consultant's officers, employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the Agency, its officers, employees, agents and representatives.

i. Any deductibles or self-insured retentions must be approved by the Agency. At the option of the Agency, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to the Agency or Consultant shall procure a bond guaranteeing payment of losses and expenses.

j. If Consultant is a Limited Liability Company, the general liability coverage must be amended so that the Limited Liability Company and its managers, affiliates, employees, agents, and other persons necessary or incidental to its operation are insureds.

k. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this Agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to the Agency, its employees, officials and agents.

l. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

m. Consultant agrees to be responsible for ensuring that no contact used by any party involved in any way with the project reserves the right to charge Agency or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to the Agency. It is not the intent of Agency to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against Agency for payment of premiums or other amounts with respect thereto.

n. Consultant agrees to provide immediate notice to Agency of any claim or loss against Consultant arising out of the work performed under this Agreement. Agency assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the Agency.

o. Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 12 of this Agreement.

p. Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.

14. Mutual Cooperation.

a. The Agency shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services.

b. In the event any claim or action is brought against the Agency relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that Agency may require.

15. Notices.

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (a) the day of delivery if delivered by hand or overnight courier service during Agency's and Consultant's regular business hours; or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore below, or to such other addresses as the parties may, from time to time, designate in writing.

If to Agency:

Successor Agency to the Industry Urban-Development Agency  
15625 East Stafford Street  
City of Industry, California 91744  
Attn: Executive Director

With a copy to:

Richards, Watson & Gershon  
355 South Grand Avenue - 40<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attn: William L. Strausz, Esq.  
(213) 626-8484  
Fax: (213) 626-0078

If to Consultant:

SCS Engineers  
6601 Koll Center Parkway, Suite 140  
Pleasanton, CA 94566  
Attn: Joseph J. Miller, P.E.

16. Representations and Warranties.

Consultant represents, warrants and covenants to the Agency:

a. Organization. Consultant is duly organized, validly existing and in good standing under the laws of the State of California and in each other state in which it conducts business.

b. Agency. Consultant has all requisite licenses, permits, certifications, power and authority to carry on its business as presently conducted, to enter into this Agreement, and to perform its obligations under this Agreement.

c. Approval. The execution, delivery and performance of this Agreement by Consultant and the consummation of the transactions contemplated by this Agreement have been duly and validly authorized by the Board of Directors and are not subject to ratification by the Shareholders of Consultant at a special meeting therefore.

d. Binding Obligation. This Agreement has been duly executed and delivered on behalf of Consultant, and all documents and instruments required hereunder to be executed and delivered by Consultant have likewise been duly executed and delivered. This Agreement does, and such documents and instruments will, constitute legal, valid and binding obligations of Consultant in accordance with their terms. The consummation of the transactions contemplated by this Agreement will not violate, nor be in conflict with, any provision of the partnership agreement, charter, bylaws or governing documents of Consultant (or any of corporations comprising Consultant), or any agreement or instrument to which Consultant is a party or by which Consultant is bound, or any judgment, decree, order statute, rule or regulation applicable to Consultant.

17. Conflicts of Interest

Consultant and its officers, employees, associates and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including, but not limited to, the Political Reform Act (Government Code Section 81000, et. seq.) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subcontractors shall not, without the prior written approval of the Executive Director, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant agrees that a clause substantially similar to this section shall be incorporated into any sub-agreement, which Consultant executes in connection with the performance of this Agreement.

18. Accounting Requirements.

Consultant shall maintain an accounting system and records that properly accumulate and segregate incurred costs by line item for the project under the Scope of Work. The accounting system shall conform to the Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

19. Governing Law.

This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of California.

20. Compliance with Laws.

a. Consultant shall comply with all applicable federal, state and local laws, ordinances, codes and regulations.

b. Compliance with Environmental Laws. [check if applicable]

Consultant shall comply with § 306 of the Federal Clean Air Act (42 U.S.C. §1857(h)), § 508 of the Federal Water Pollution Prevention Act (33 U.S.C. § 368), and the laws implementing those acts, including Executive Order 11,738 and 40 C.F.R. pt. 15.



Consultant shall comply with the provisions of the "Barry Keane Underground Storage Tank Cleanup Trust Fund Act of 1989 (Health & safety Code §§ 25299.10 et. seq. and the applicable regulations promulgated thereunder (California Code of Regulations, Title 23, § 2810 et. seq. Consultant shall also comply with mandatory standards and policies relating to energy efficiency, according the state energy conservation plan issued in compliance with the Federal Energy Policy and Conservation Act.

21. Reliance on Reports [check if applicable]

Consultant understands that Agency will rely upon its reports, analysis and related data. Consultant understands and agrees that the reports prepared by Consultant, and the information, data, test results and the conclusions and analyses contained therein regarding the geologic and environmental condition of a site, and/or the soils and groundwater beneath a site, may be relied upon by the Agency, its program managers, consultants, attorneys and appraisers of a site, any purchaser and developer of a site, (provided that the limitations and restrictions set forth herein shall apply to such purchaser and developer) and may be submitted and relied upon by any local, state or federal agencies and entities, as a part of the evaluation of the risk associated with the development or use of the site and the soils and groundwater beneath a site, and for the purpose of assessing the geotechnical, hydro- geological and/or environmental condition of a site and the ground and surface water on, under and in the area of a site, issuing closure letters, permits, licenses or authorizations to develop a site, and to determine whether further environmental investigation, assessment, review or study is necessary, and so that the Agency and any designated purchaser and developer of any site can conduct construction activities on and develop the site.

22. Discrimination and Equal Employment Opportunity.

In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

23. No Assignment.

Consultant shall not assign or transfer any interest in this Agreement nor the performance of any of Consultant's obligations hereunder, nor shall it subcontract any of the work described in this Agreement or the Scope of Work without the prior written consent of Agency, and any attempt by Consultant to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

24. Non-Waiver of Terms, Rights and Remedies.

Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by Agency of any payment to Consultant constitute or be construed as a waiver by Agency of any breach of covenant, or any default which may then

exist on the part of Consultant, and the making of any such payment by Agency shall in no way impair or prejudice any right or remedy available to Agency with regard to such breach or default.

25. Attorneys' Fees.

If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of the services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs in addition to any other relief to which it may be entitled.

26. Time Is Of The Essence.

Time is hereby expressly declared to be of the essence of this Agreement and of each and every provision hereof; and each and every provision hereof is hereby declared to be and made a material, essential and necessary part of this Agreement.

27. Exhibits; Precedence.

All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

28. Entire Agreement and Amendments.

This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between Consultant and the Agency. This Agreement supercedes all prior oral or written negotiations, representations or agreements. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by the parties which expressly refers to this Agreement.


29. Severability.

Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law. If any provision of this Agreement, is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

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

WHEREFORE, the parties hereto have executed this Agreement as of the date first above written.

SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT  
AGENCY

By:   
Tim Spohn, Chairman

STEARNS, CONRAD AND SCHMIDT,  
CONSULTING ENGINEERS, INC. DBA AS  
SCS ENGINEERS

By: 

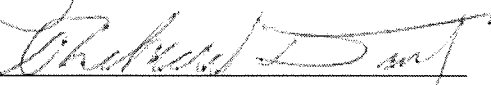
By: 

EXHIBIT A

Scope of Services

## Exhibit "A"

Environmental Consultants  
and Contractors

6601 Koll Center Parkway  
Suite 140  
Pleasanton, CA 94566

925 426-0080  
FAX 925 426-0707  
www.scsengineers.com

### SCS ENGINEERS

December 12, 2013  
File No. 011153213

Mr. Kevin Radecki, Executive Director  
Successor Agency to the Industry-Urban Development Agency  
15625 East Stafford Street #100  
City of Industry, California 91744

**Subject: Proposal for Landfill Engineering Services  
Proposed Industry Business Center Development (IBC East)  
State Route 60/57 Freeway at Grand Avenue  
City of Industry, California**

Dear Mr. Radecki:

This letter provides a proposal and budget for SCS Engineers (SCS) to provide landfill engineering services in support of your agency's proposed Industry Business Center (IBC) development project.

The IBC site consists of two large parcels, one on the east side of Grand Avenue that is roughly 245 acres, and one on the west side of Grand Avenue that is roughly 347 acres. SCS's proposal is specific to the first phase of development east of Grand Avenue (IBC East), which will entail rough grading and site preparation for up to 10 new commercial buildings with cumulative footprint area of 2.2 million square feet. The grading operation for IBC East will require earth cut and fill totaling approximately 8.5 million cubic yards.

Approximately 11 acres of land within the IBC East parcel, known as the former Valley Land Development Landfill (Landfill) was used as a municipal waste disposal site in the 1950's and 1960's. Current IBC East development plans call for excavation and relocation of approximately 40,000 cubic yards of debris (under a proposed building area), and reconsolidation of those materials onto the remaining Landfill footprint. Up to 45 feet of engineered clean fill soils will be placed atop the reconfigured Landfill to meet development grading requirements.

SCS proposes to assist your development team with engineering and permitting issues related to the presence of the Landfill.

#### SCOPE OF SERVICES

Work to be performed by SCS will be at the direction of your agency and its consultants, and will include but not be limited to the following:

- Provide technical input and general specifications for waste excavation, relocation, environmental controls, and engineered fill placement in support of preparation of bid



## Exhibit "A"

Mr. Kevin Radecki  
December 12, 2013  
Page 2

documents for site grading (plans to be prepared by others). We understand the grading plans will be distributed to bidders in January 2014 and this is a fast-track item.

- Regulatory agency liaison and permit assistance with those agencies involved with redevelopment at old landfill sites - Regional Water Quality Control Board (RWQCB), South Coast Air Quality Management District (AQMD), Los Angeles County Department of Public Health and Department of Public Works, and CalRecycle.
- Preparation of landfill closure/post-closure maintenance and end use plan and cost estimates.
- Preparation of a waste excavation management plan for AQMD submittal.
- Abandonment and/or re-location of groundwater and landfill gas monitoring wells.
- Demonstration of financial assurance for post-closure maintenance and reasonably foreseeable releases.
- Preparation of conceptual plans for methane gas control and monitoring (LA County Building Code Section 110.3, California Title 27, AQMD Rule 1150.1).
- Water quality monitoring in support of agency inquiries, requirements, or permit conditions.
- Engineering design for site improvements – landfill final grading, cover and drainage; environmental control systems; and methane gas control and monitoring.

### COMPENSATION

We understand your agency has established a budget set aside of **\$243,018** for landfill engineering services. SCS will bill against this amount on a time-and-materials or fixed fee basis, with a specific scope and budget agreed upon in advance for each task assignment and in accordance with your project priorities. Attached for reference is our Standard Fee Schedule.

### TERMS AND CONDITIONS

Our services will be performed in accordance with a professional services agreement between SCS and your agency, with mutually acceptable terms and conditions.

Exhibit "A"

Mr. Kevin Radecki  
December 12, 2013  
Page 3

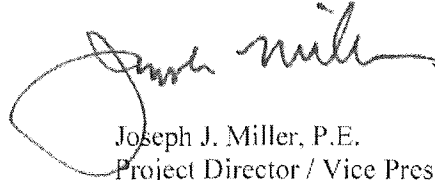
CLOSING

SCS looks forward to working with you on this project. If you have any questions regarding this submittal or desire any additional information, please contact the undersigned.

Sincerely,



Tina Quo Schmiesing  
Project Manager  
**SCS ENGINEERS**



Joseph J. Miller, P.E.  
Project Director / Vice President  
**SCS ENGINEERS**

cc: Joshua Nelson, CNC Engineering

**EXHIBIT B**

**Project Timeline**



## EXHIBIT B

### Project Timeline

Start date: December 19, 2013

Estimated end of construction: December 31, 2020

Upon the start of construction a more detailed project schedule will be established.

EXHIBIT C

Professional Fee Schedule  
Hourly Rates

Exhibit "C"

Environmental Consultants  
and Contractors

6601 Koll Center Parkway  
Suite 140  
Pleasanton, CA 94566

925 426-0080  
FAX 925 426-0707  
www.scsengineers.com

**SCS ENGINEERS**

FEE SCHEDULE

(Effective April 1, 2013 through March 31, 2014)

	<u>Rate/Hour</u>
Project Director .....	225
Senior Project/Technical Manager .....	205
Certified Industrial Hygienist.....	198
Project Manager II.....	185
Project Manager I.....	175
Professional Geologist .....	165
Senior Project Professional II.....	150
Senior Project Professional .....	140
Project Professional II .....	130
Project Professional I .....	125
Construction Superintendent .....	125
Staff Professional II.....	105
Staff Professional I.....	100
Project Administrator.....	95
Associate Staff Professional.....	90
Senior Engineering Technician .....	85
Designer/Drafter.....	85
Technician.....	80
Administrative/Secretarial.....	75

**General Terms**

1. Scheduled rates are effective through March 31, 2014. Work performed thereafter is subject to a new Fee Schedule.
2. Rates for principals of the firm may be negotiated on a project-specific basis with a base rate of \$275 per hour.
3. Scheduled labor rates include overhead, administration, and profit. Costs for outside consultants and subcontractors, equipment/supplies, and for job-related employee travel and subsistence, are billed at actual cost plus a 15 percent administrative fee.
4. Charges for field equipment and instruments will be in accordance with SCS Engineers' Field Equipment Rental Rates Schedule in effect at the time the work is performed. Company trucks are charged at \$50 for up to a half day (4 hours) of use, and \$100 for up to a full day (company cars at \$40/\$80). These charges incorporate an allowance of 100 miles per job per day; a \$0.51 per mile surcharge is applied for additional miles. Vehicle charges for long-term and/or high-mileage projects may be negotiated on a case-by-case basis. Personal vehicles will be charged at the Federal rate then in effect.
5. Overtime will be charged at 125 percent of standard rates for weekday work in excess of 8 hours. Work performed on holidays and weekends will be charged at 150 percent of standard rates.



## Exhibit "C"

SCS Fee Schedule  
April 1, 2013 - March 31, 2014  
Page 2

6. Invoices will be prepared monthly or more frequently for work in progress, unless otherwise agreed. Invoices are due and payable upon receipt. Invoices not paid within 30 days are subject to a service charge of 1.5 percent per month on the unpaid balance.
7. Payment of SCS Engineers invoices for services performed will not be contingent upon the client's receipt of payment from other parties, unless otherwise agreed in writing. Client agrees to pay legal costs, including attorney's fees, incurred by SCS Engineers in collecting any amounts past due and owing on client's accounts.
8. For special situations such as expert court testimony and limited consultation, hourly rates will be on an individually negotiated basis.

**EXHIBIT B**

Budget Increase Request from Stearns, Conrad and Schmidt, Consulting Engineers,  
Inc., dated November 8, 2018

[Attached]

November 8, 2018  
File No. 01213392.00

Mr. Troy Helling, Executive Director  
Successor Agency to the Industry-Urban Development Agency (Agency)  
15625 East Stafford Street #100  
City of Industry, California 91744

Subject: **Proposal for a Budget Supplement  
Industry Business Center East Development (IBC East)  
State Route 60/57 Freeway at Grand Avenue, City of Industry, California(Agreement  
for Consulting Services dated December 19, 2013; Consultant Contract No. 14-SCS  
13-01A MP 99-31 16)**

Dear Mr. Helling:

This letter provides a proposed budget supplement for SCS Engineers (SCS) landfill engineering services contract for the Agency's Industry Business Center East (IBC East) development.

Per the terms of the above-referenced Agreement, SCS has provided as-requested engineering, permitting and environmental operation, monitoring and maintenance (OM&M) services specifically addressing the presence of the closed Valley Land Development Landfill (VLDL) as it affects the completed IBC-East mass grading project through the period ending December 31, 2018. This budget supplement request addresses costs for work items not envisioned at the time that Amendments No. 2, No. 3 and No. 4 to the Agreement were issued in January 2016, January 2017 and August 2018 respectively (see scope of work below) and continuing the ongoing as-requested engineering, permitting and OM&M services through December 31, 2020.

## SCOPE OF SERVICES

As part of IBC-East development, a landfill gas (LFG) collection and control system (GCCS) was installed and is now operated by SCS under the Agreement. In April 2017 the South Coast Air Quality Management District (SCAQMD) issued a Permit to Operate for VLDL that required compliance with SCAQMD Rule 1150.1 requirements. (All landfills in the South Coast Air District are subject to Rule 1150.1. The Rule has requirements for landfill surface emissions monitoring, LFG sampling, and LFG control system component leak monitoring and reporting, among other things. However, this Rule was not previously applied or enforced at the VLDL, nor was Rule applicability a condition of the AQMD Authority to Construct Permit for LFG control system.)

Due to this development, on behalf of the Agency, in May 2017 SCS prepared and submitted an application for an exemption from SCAQMD Rule 1150.1 requirements for LFG emissions control and monitoring, and/or a Rule 1150.1 Alternate Compliance Plan (ACP). The ACP and exemption



would allow a reduction in site monitoring requirements and compliance costs, without compromising public safety and environmental protection.

To date SCAQMD continues processing of the application with no known completion date for an exemption. So during 2017 and into 2018, SCS performed and continues to perform work to comply with SCAQMD Rule 1150.1 requirements, and anticipating approval of the ACP by June 30, 2019 SCS proposes to continue this work through June 30, 2019 as part of this Budget Supplement request.

## COMPENSATION

To cover the period of January 1, 2019 through June 30, 2019 we are requesting additional estimated budget funds of \$108,000.00 via Amendment to the December 13, 2013 Agreement for Consulting Services and subsequent addenda issued by the Agency. As we continue to pursue an ACP from SCAQMD to potentially reduce site monitoring requirements and compliance costs, the amounts below are estimated monthly costs for the work described above, \$14,000 per month along with \$24,000 of recurring annual and quarterly costs for regulatory emissions source test (\$9,000), Carbon Media changeout (\$9,000), perimeter monitoring probe quarterly monitoring and reporting (\$3,000/qtr. x 2 qtrs.= \$6,000) to be incurred during this time period. Approval of the ACP before June 2019 would result in costs less than estimated below.

Jan. 2019	\$14,000
Feb. 2019	\$14,000
Mar. 2019	\$14,000
Apr. 2019	\$14,000
May 2019	\$14,000
June 2019	\$14,000
Recurring Annual/quarterly	\$24,000 (see above)
<b>Subtotal Budget Request</b>	<b>\$108,000</b>

For the subsequent period of July 1, 2019 through December 31, 2020 with the assumption the ACP has been granted, we estimate a budget of **\$165,000** including all recurring annual and quarterly costs.

**The total budget request through December 31, 2020 is \$273,000.**

Mr. Troy Helling  
November 8, 2018  
Page 3

SCS will continue to bill against the established budget amount on a time-and-materials basis, in accordance with the terms and conditions in the December 13, 2013 Agreement for Consulting Services and subsequent addenda ending Dec. 31, 2020 issued by the Agency.

## CLOSING

SCS looks forward to continue working with you on the IBC-East project. If you have any questions regarding this submittal or desire any additional information, please contact the undersigned.

Sincerely,



Dan Vidal  
Project Director  
SCS Engineers



Joseph J. Miller, P.E.  
Project Director/Vice President  
SCS Engineers

cc: Joshua Nelson, CNC Engineering