

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

**DECEMBER 16, 2020 AGENDA
6:00 p.m.**

**CITY OF INDUSTRY
COUNCIL CHAMBER
15651 E. STAFFORD STREET
CITY OF INDUSTRY, CALIFORNIA**

**Chair, Steve Tye
Vice-Chair, Ray Marquez
Board Member, Nancy Lyons
Board Member, Cathy Marcucci
Board Member, Cory Moss
Board Member, Peter Rogers
Board Member, Newell Ruggles**

Addressing the Authority:

NOTICE OF TELEPHONIC MEETING:

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the regular meeting of the Tres Hermanos Conservation Authority shall be held telephonically. Members of the public shall be able to attend the meeting telephonically and offer public comment by joining the meeting by calling the following conference call number: 1-657-204-3264 and entering the Access Code: 231 261 369#. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public, Council Chambers will not be open for the meeting, and all public participation must occur by telephone at the number set forth above. Pursuant to the Executive Order, and in compliance with the Americans with Disabilities Act, if you need special assistance to participate in the THCA meeting (including assisted listening devices), please contact the City Clerk's Office at (626) 333-2211 by 5:00 p.m. on Monday, December 14, 2020, to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Copies of staff reports or other written documentation relating to agenda items are on file in the Office of the City Clerk at Industry City Hall, and are available for public inspection. If requested, the agenda will be made available in an alternative format to a person with disability as required by Section 202 of the Americans with Disabilities Act of 1990. If you have questions regarding an agenda item, please contact the Authority Secretary at (626) 333-2211 during regular business hours.

In an effort to comply with the requirements of Title II of the Americans with Disabilities Act of 1990, the Tres Hermanos Conservation Authority requires that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at a public meeting, must inform the Authority Secretary a minimum of 72 hours prior to the scheduled meeting.

1. CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

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

3. CONSENT CALENDAR:

- 3.1 Consideration of the minutes of the July 15, 2020 regular meeting and the August 19, 2020 regular meeting

RECOMMENDED ACTION: Approve as submitted.

- 3.2 Consideration to approve the Treasurer's Report for the months of July 2020, August 2020, September 2020, and October 2020

RECOMMENDED ACTION: Receive and file Reports.

- 3.3 Consideration to approve the check register for the months of July 2020, August 2020, September 2020, and October 2020

RECOMMENDED ACTION: Receive and file Report.

4. OLD BUSINESS:

There is none.

5. NEW BUSINESS:

- 5.1 Consideration of Resolution No. THCA 2020-03 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY ADOPTING BY-LAWS OF THE TRES HERMANOS CONSERVATION AUTHORITY

RECOMMENDED ACTION: Adopt Resolution No. THCA 2020-03.

- 5.2 Consideration of Resolution No. THCA 2020-04 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY ADOPTING A BUDGET AMENDMENT FOR FISCAL YEAR 2020-21 INCREASING THE BUDGET BY \$15,000 FOR TREASURER DUTIES

RECOMMENDED ACTION: *Adopt Resolution No. THCA 2020-04.*

- 5.3 Consideration of a Professional Civil Engineering Services Agreement between Tres Hermanos Conservation Authority and C & C Engineering, Inc.

RECOMMENDED ACTION: *Approve the Agreement.*

- 5.4 Red Bucket presentation and discussion.

RECOMMENDED ACTION: *Discussion and direction.*

6. AUTHORITY DIRECTOR COMMENTS:

- 7. ADJOURNMENT:** The next regular Tres Hermanos Conservation Authority Meeting will be Wednesday, January 20, 2021 at 6:00 p.m.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 3.1

TRES HERMANOS CONSERVATION AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JULY 15, 2020
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CALL TO ORDER

The Regular Meeting of the Tres Hermanos Conservation Authority was called to order by Chair Steve Tye at 6:25 p.m., telephonically using Conference Call Number, 914-614-3221, Access Code: 410-754-395.

FLAG SALUTE

The flag salute was led by Chair Steve Tye.

ROLL CALL

PRESENT: Steve Tye, Chair
Ray Marquez, Vice-Chair
Nancy Lyons, Board Member
Cathy Marcucci, Board Member
Cory Moss, Board Member
Peter Rogers, Board Member
Newell Ruggles, Board Member

STAFF PRESENT: Troy Helling, Executive Director; Dan Fox, Deputy Executive Director; Tracy Egoscue, General Counsel; Josh Nelson, Director of Public Works/City Engineer; Kristina Santana, City Clerk with Diamond Bar; and Julie Robles, Authority Secretary.

PUBLIC COMMENTS

Jim Gallagher with Save the Ranch thanked the cities for forming this Authority and preserving the Tres Hermanos property.

Susan Pierce from Chino Hills talked about Red Bucket Equine Rescue being a horse rescue organization and would like to discuss partnering with Tres Hermanos in the future. Potential partnerships.

Maryanne Napoles, a reporter with Chino Hills Champion, was on the phone listening but had no ability to join into the meeting. Board Member Rogers said that he knew her concerns and would bring the subject up at the end of the meeting under Comments.

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CONSENT CALENDAR

Vice-Chair Ray Marquez asked to pull Item 3.3 for clarification on two items in the check register.

3.1 CONSIDERATION OF THE MINUTES OF THE APRIL 15, 2020 REGULAR MEETING

RECOMMENDED ACTION: *Approve as submitted.*

3.2 CONSIDERATION TO APPROVE THE TREASURER'S REPORT FOR THE MONTHS OF MARCH 2020, APRIL 2020 AND MAY 2020

RECOMMENDED ACTION: *Receive and file Report.*

MOTION BY BOARD MEMBER LYONS, AND SECOND BY BOARD MEMBER MOSS TO APPROVE ITEMS 3.1 AND 3.2 OF THE CONSENT CALENDAR. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	LYONS, MARCUCCI, MOSS, ROGERS RUGGLES, VC/MARQUEZ, C/TYE
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

3.3 CONSIDERATION TO APPROVE THE CHECK REGISTER FOR THE MONTHS OF MARCH 2020, APRIL 2020 AND MAY 2020

RECOMMENDED ACTION: *Receive and file Report.*

Vice-Chair Ray Marquez questioned two items; one regarding the Department of Water Resources and the other regarding Watson Paint Company. Both questions were answered by Executive Director, Troy Helling along with input from Director of Public Works/City Engineer, Josh Nelson.

MOTION BY VICE-CHAIR MARQUEZ, AND SECOND BY BOARD MEMBER ROGERS TO APPROVE ITEM 3.3 OF THE CONSENT CALENDAR. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

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AYES:	BOARD MEMBERS:	LYONS, MARCUCCI, MOSS, ROGERS RUGGLES, VC/MARQUEZ, C/TYE
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

OLD BUSINESS

There was none.

NEW BUSINESS

5.1 THIRD QUARTER BUDGET REVIEW FOR FISCAL YEAR 2019-20

RECOMMENDED ACTION: *Receive and file Report.*

MOTION BY BOARD MEMBER MOSS, AND SECOND BY BOARD MEMBER MARCUCCI TO RECEIVE AND FILE REPORT. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	LYONS, MARCUCCI, MOSS, ROGERS RUGGLES, VC/MARQUEZ, C/TYE
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

6. AUTHORITY DIRECTOR COMMENTS

Board Member Moss said that she would like the Board to get more information from Susan Pierce in regards to Red Bucket Equine Rescue with the possibility of putting a staff report on the agenda in the near future.

Board Member Rogers said that Cherri Wood's home at the Tres Hermanos Ranch had been burglarized the previous night and that is why Maryanne Napoles, a reporter with Chino Hills Champion, was wanting to reach out on this call. Cherri Wood is feeling afraid and would like more security. Executive Director, Troy Helling, said that Tonner Canyon has security and will look into a camera system. He said he would reach out to Maryanne Napoles the next day.

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Board Member Marquez brought up the cattle at Tres Hermanos Ranch and the need for two lease agreements for both the South and North sides as it pertains to protecting the Authority. Again, he brought up the desire of staff from each city to tour the Tres Hermanos Ranch, with social distancing. He also mentioned that he already had a working relationship with Susan Pierce at Red Bucket and looks forward to working with her again.

7. ADJOURNMENT

There being no further business, the Tres Hermanos Conservation Authority adjourned at 6:53 p.m.

STEVE TYE
CHAIR

JULIE ROBLES
AUTHORITY SECRETARY

TRES HERMANOS CONSERVATION AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING MINUTES
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CALL TO ORDER

The Regular Meeting of the Tres Hermanos Conservation Authority was called to order by Chair Steve Tye at 6:02 p.m., telephonically using Conference Call Number, 657-204-3264, Access Code: 488 091 621#.

FLAG SALUTE

The flag salute was led by Chair Steve Tye.

ROLL CALL

PRESENT: Steve Tye, Chair
Ray Marquez, Vice-Chair
Nancy Lyons, Board Member
Cathy Marcucci, Board Member
Cory Moss, Board Member
Peter Rogers, Board Member
Newell Ruggles, Board Member

STAFF PRESENT: Troy Helling, Executive Director; Dan Fox, Deputy Executive Director; Tracy Egoscue, General Counsel; Josh Nelson, Director of Public Works/City Engineer; Kristina Santana, City Clerk with Diamond Bar; and Julie Robles, Authority Secretary.

PUBLIC COMMENTS

Jim Gallagher with Save the Tres Hermanos Ranch Group on Facebook and a regular attendee of these meetings spoke on the historical effort made by all three cities in joining into this Joint Power Agreement and forming this Authority to preserve the Tres Hermanos property.

Robin Smith, Chair of the Diamond Bar/Pomona Sierra Club Conservation Team, also wanted to echo Mr. Gallagher's comments and to express her gratitude for this group. She also suggested that City of Industry teach the public through social media groups as to how the City has changed compared to past history.

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CONSENT CALENDAR

3.1 CONSIDERATION TO APPROVE THE TREASURER'S REPORT FOR THE MONTH OF JUNE 2020

RECOMMENDED ACTION: *Receive and file Report.*

3.2 CONSIDERATION TO APPROVE THE CHECK REGISTER FOR THE MONTH OF JUNE 2020

RECOMMENDED ACTION: *Receive and file Report.*

MOTION BY BOARD MEMBER ROGERS, AND SECOND BY BOARD MEMBER MOSS TO APPROVE THE CONSENT CALENDAR. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	LYONS, MARCUCCI, MOSS, ROGERS RUGGLES, VC/MARQUEZ, C/TYE
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

OLD BUSINESS

There was none.

NEW BUSINESS

5.1 ADOPT THE STATEMENT OF INVESTMENT POLICY FOR THE 2020-21 FISCAL YEAR

RECOMMENDED ACTION: *Adopt Resolution No. THCA 2020-02.*

MOTION BY V/C MARQUEZ, AND SECOND BY BOARD MEMBER MARCUCCI TO ADOPT RESOLUTION NO. THCA 2020-02. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

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AYES:	BOARD MEMBERS:	LYONS, MARCUCCI, MOSS, ROGERS RUGGLES, VC/MARQUEZ, C/TYE
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

5.2 ARNOLD RESERVOIR DAM REPAIRS AND REMEDIATION UPDATE

RECOMMENDED ACTION: *Receive and File.*

City of Industry Director of Public Works/City Engineer/Assistant City Manager, Josh Nelson provided a staff report and was available to answer any questions.

MOTION BY BOARD MEMBER MOSS, AND SECOND BY BOARD MEMBER ROGERS TO RECEIVE AND FILE. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	LYONS, MARCUCCI, MOSS, ROGERS RUGGLES, VC/MARQUEZ, C/TYE
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

5.3 CONSIDERATION OF PROPERTY MAINTENANCE AND SECURITY FOR DWELLING UNIT LOCATED AT ASSESSOR'S PARCEL NUMBER (APN) 1000-031-15-0000

RECOMMENDED ACTION: *Review and Provide Direction.*

City of Industry Assistant City Manager, Bing Hyun, provided a staff report and reviewed the summary of proposed maintenance costs needed at the dwelling unit located at Tres Hermanos Ranch where tenant Cherie Wood resided for the past twenty-one years. Conversation ensued regarding the cost of several repairs and the issue of getting multiple bids was discussed as well as adding motion detector lights on the outside. It was agreed to get three estimates for the interior paint which sounded a little high. Executive Director, Troy Helling, said he would email the board members a memo with the cost estimates.

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MOTION BY BOARD MEMBER MOSS, AND SECOND BY BOARD MEMBER LYONS TO RECEIVE AND FILE REPORT. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	LYONS, MARCUCCI, MOSS, ROGERS RUGGLES, VC/MARQUEZ, C/TYE
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

6. AUTHORITY DIRECTOR COMMENTS

Board Member Marcucci asked about the progress with Susan Pierce at Red Bucket Equine Rescue and Executive Director Troy Helling said a draft presentation was done and it will be put on the next meeting agenda.

7. ADJOURNMENT

There being no further business, the Tres Hermanos Conservation Authority adjourned at 6:52 p.m.

STEVE TYE
CHAIR

JULIE ROBLES
AUTHORITY SECRETARY

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 3.2

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 3.2

Date: December 16, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director
Subject: Treasurer's Report for the Months of July through October 2020

Recommendation:

That the Authority receive and file the Treasurer's Reports for the months of July through October 2020.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.3 Accounts, the Treasurer must verify and report in writing, at least quarterly, the amount of money held for the Authority, the amount of interest earnings, revenues, and expenditures since the last report.

Attached for your information are the Treasurer's Reports for the months of July through October 2020.

Respectfully submitted,

Reviewed by,



Christina Buhagiar
Treasurer



Troy Helling
Executive Director

Attachments

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended July 31, 2020**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market	\$ 316,888	\$ 316,888	0.05%	n/a	100.00%
Total Investment Portfolio	\$ 316,888	\$ 316,888			100.00%

Blended Yield of Cash and Investments	0.05%
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Benchmarks:	
LAIF	0.92%
6mo U.S. Treasury	0.10%
2yr U.S. Treasury	0.11%
5yr U.S. Treasury	0.21%

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

Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended July 31, 2020

	Budget 2020/21	July 2020	Fiscal Year To Date 2020/21	% of Budget Used	
Revenues:					
Investment interest	\$ -	\$ 11	\$ 11	-	
Rental income	8,100	675	675	8%	
Contributions from member agencies	248,488	154,658	154,658	62%	A
Reimbursements	-	-	-	-	
Total Revenues	256,588	155,344	155,344	61%	
Expenditures:					
Professional Services	20,220	-	-	0%	
Legal services	20,004	175	175	1%	
Legal services - Extraordinary	66,000	-	-	0%	
Contractual Services	113,559	2,450	2,450	2%	
Security services	34,800	3,059	3,059	9%	
Office Supplies & Software	2,005	-	-	0%	
Utilities	-	159	159	-	
Total Expenditures	256,588	5,843	5,843	2%	
Excess of revenues over (under) expenditures	\$ -	\$ 149,501	\$ 149,501		
Fund Balances:					
Beginning of fiscal year			\$ 166,632		
Excess of revenues over (under) expenditures			149,501		
As of July 31, 2020			\$ 316,133		B
Fund Balances by City:					
Chino Hills			\$ 107,338		
Diamond Bar			88,331		
Industry			120,464		
Total Fund Balances by City			\$ 316,133		

A 100% of member contributions have been received, but \$93,830 was received in June 2020 and reflected in the beginning of fiscal year fund balance.

B The ending fund balance in the amount of \$316,133 includes \$755.00 in outstanding checks that are not included in the bank balance of \$316,887.66.

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended August 31, 2020**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market	\$ 314,194	\$ 314,194	0.05%	n/a	100.00%
Total Investment Portfolio	\$ 314,194	\$ 314,194			100.00%

Blended Yield of Cash and Investments	0.05%
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Benchmarks:	
LAIF	0.78%
6mo U.S. Treasury	0.13%
2yr U.S. Treasury	0.14%
5yr U.S. Treasury	0.28%

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



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended August 31, 2020

	Budget 2020/21	Aug 2020	Fiscal Year To Date 2020/21	% of Budget Used	
Revenues:					
Investment interest	\$ -	\$ 13	\$ 24	-	
Rental income	8,100	675	1,350	17%	
Contributions from member agencies	248,488	-	154,658	62%	A
Reimbursements	-	32	32	-	
Total Revenues	256,588	720	156,064	61%	
Expenditures:					
Professional Services	20,220	-	-	0%	
Legal services	20,004	962	1,137	6%	
Legal services - Extraordinary	66,000	-	-	0%	
Contractual Services	113,559	38,664	41,114	36%	
Security services	34,800	-	3,059	9%	
Office Supplies & Software	2,005	-	-	0%	
Utilities	-	639	798	-	
Total Expenditures	256,588	40,265	46,108	18%	
Excess of revenues over (under) expenditures	\$ -	\$ (39,545)	\$ 109,956		
Fund Balances:					
Beginning of fiscal year			\$ 166,632		
Excess of revenues over (under) expenditures			109,956		
As of August 31, 2020			\$ 276,588		B
Fund Balances by City:					
Chino Hills			\$ 94,157		
Diamond Bar			75,149		
Industry			107,282		
Total Fund Balances by City			\$ 276,588		

A 100% of member contributions have been received, but \$93,830 was received in June 2020 and reflected in the beginning of fiscal year fund balance.

B The ending fund balance in the amount of \$276,588 includes \$37,606.03 in outstanding checks that are not included in the bank balance of \$314,193.68.

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended September 30, 2020**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 170,474	\$ 170,474	0.05%	n/a	62.93%
	100,000	100,411	0.69%	n/a	37.07%
Total Investment Portfolio	\$ 270,474	\$ 270,885			100.00%

Blended Yield of Cash and Investments	0.29%
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Benchmarks:	
LAIF	0.69%
6mo U.S. Treasury	0.11%
2yr U.S. Treasury	0.13%
5yr U.S. Treasury	0.28%

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



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended September 30, 2020

	<u>Budget 2020/21</u>	<u>Sept 2020</u>	<u>Fiscal Year To Date 2020/21</u>	<u>% of Budget Used</u>
Revenues:				
Investment interest	\$ -	\$ 8	\$ 32	-
Rental income	8,100	725	2,075	26%
Contributions from member agencies	248,488	-	248,488	100%
Reimbursements	-	166	198	-
Total Revenues	<u>256,588</u>	<u>899</u>	<u>250,793</u>	<u>98%</u>
Expenditures:				
Professional Services	20,220	-	-	0%
Legal services	20,004	-	1,138	6%
Legal services - Extraordinary	66,000	515	515	1%
Contractual Services	113,559	6,351	47,464	42%
Security services	34,800	3,110	6,169	18%
Office Supplies & Software	2,005	50	50	2%
Utilities	-	293	1,091	-
Total Expenditures	<u>256,588</u>	<u>10,319</u>	<u>56,427</u>	<u>22%</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (9,420)</u>	<u>\$ 194,366</u>	
Fund Balances:				
Beginning of fiscal year			\$ 72,802	
Excess of revenues over (under) expenditures			194,366	
As of September 30, 2020			<u>\$ 267,168</u> A	
Fund Balances by City:				
Chino Hills			\$ 91,006	
Diamond Bar			72,106	
Industry			104,056	
Total Fund Balances by City			<u>\$ 267,168</u>	

A The ending fund balance in the amount of \$267,168 includes \$3,305.70 in outstanding checks that are not included in the bank balance of \$270,473.69.

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended October 31, 2020**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 159,950	\$ 159,950	0.05%	n/a	61.42%
	100,053	100,465	0.62%	n/a	38.58%
Total Investment Portfolio	\$ 260,003	\$ 260,415			100.00%

Blended Yield of Cash and Investments	0.27%
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Benchmarks:	
LAIF	0.62%
6mo U.S. Treasury	0.11%
2yr U.S. Treasury	0.14%
5yr U.S. Treasury	0.38%

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



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended October 31, 2020

	<u>Budget 2020/21</u>	<u>Oct 2020</u>	<u>Fiscal Year To Date 2020/21</u>	<u>% of Budget Used</u>
Revenues:				
Investment interest	\$ -	\$ 60	\$ 92	-
Rental income	8,100	675	2,750	34%
Contributions from member agencies	248,488	-	248,488	100%
Reimbursements	-	61	259	-
Total Revenues	<u>256,588</u>	<u>796</u>	<u>251,589</u>	<u>98%</u>
Expenditures:				
Professional Services	20,220	-	-	0%
Legal services	20,004	175	1,313	7%
Legal services - Extraordinary	66,000	690	1,205	2%
Contractual Services	113,559	2,250	54,290	48%
Security services	34,800	2,906	9,074	26%
Office Supplies & Software	2,005	714	764	38%
Utilities	-	311	1,402	-
Total Expenditures	<u>256,588</u>	<u>7,046</u>	<u>68,048</u>	<u>27%</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (6,250)</u>	<u>\$ 183,541</u>	
Fund Balances:				
Beginning of fiscal year, Revised*			\$ 73,557	
Excess of revenues over (under) expenditures			183,541	
As of October 31, 2020			<u>\$ 257,098</u>	A
Fund Balances by City:				
Chino Hills			\$ 87,634	
Diamond Bar			68,880	
Industry			100,584	
Total Fund Balances by City			<u>\$ 257,098</u>	

A The ending fund balance in the amount of \$257,098 includes \$2,905.88 in outstanding checks that are not included in the bank balance of \$260,003.47.

* Audit should be finalized by the end of December 2020 which will finalize the beginning fund balance for Fiscal Year 2020-21.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 3.3

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 3.3

Date: December 16, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director
Subject: Check Registers

Recommendation:

That the Authority receive and file the check registers for the months of July through October 2020.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.2 Disbursements, the check register of the Authority should be periodically reviewed by the Board. Attached for your review are the check registers for the months of July through October 2020.

Respectfully submitted,



Christina Buhagiar
Treasurer

Reviewed by,



Troy Helling
Executive Director

Attachments

**Tres Hermanos Conservation Authority JPA
Transaction List by Vendor
July 2020**

Date	Check #	Vendor	Memo/Description	Amount
7/14/20	1157	Kline's Plumbing, Inc.	Plumbing - valve repair at THCA home	\$ (425.00)
7/14/20	1158	Janus Pest Management, Inc	Squirrel/Pest Control - May 2020	(2,025.00)
7/15/20	1159	Industry Security Services, Inc.	Security - June 2020	(3,058.80)
7/15/20	1160	Egoscue Law Group, Inc.	Legal - June 2020	(175.00)
7/23/20	1161	City of Industry (Valley Vista)	Trash - June 2020	(158.76)
			Total	<u>\$ (5,842.56)</u>

**Tres Hermanos Conservation Authority JPA
Transaction List by Vendor
August 2020**

Date	Check #	Vendor	Memo/Description	Amount
8/4/20	1162	City of Chino Hills	Water - 06/10/20 - 07/13/20	\$ (297.92)
8/4/20	1163	City of Industry (LA County)	May 2020 - Weed Abatement	(3,115.91)
8/24/20	1164	San Gabriel Valley Conservation Corps	Weed Abatement - July 2020	(10,560.00)
8/24/20	1165	City of Industry (Valley Vista)	Trash - July 2020	(553.08)
8/26/20	1166	City of Industry (LA County)	Apr-Jun 30, 2020 Weed Abatement/Pest Control	(24,775.45)
8/26/20	1167	Egoscue Law Group, Inc.	Legal - July 2020	(962.50)
Total				<u>\$ (40,264.86)</u>

**Tres Hermanos Conservation Authority JPA
Transaction List by Vendor
September 2020**

Date	Check #	Vendor	Memo/Description	Amount
9/10/20	1168	Woodruff, Spradlin & Smart	Legal - July 2020	\$ (514.90)
9/10/20	1169	City of Chino Hills	Water - 07/13/20 - 08/12/20	(293.36)
9/10/20	1170	Industry Security Services, Inc.	Security - July 2020	(3,109.80)
9/10/20	1171	Janus Pest Management, Inc.	Squirrel/Pest Control - Jun 2020	(1,900.00)
9/10/20	1172	Janus Pest Management, Inc.	Squirrel/Pest Control - July 2020	(1,900.00)
9/28/20	1173	CNC Engineering	Water Surface Elevations - Jun 2020	(185.00)
9/28/20	1174	Janus Pest Management, Inc.	Squirrel/Pest Control - Aug 2020	(2,025.00)
9/28/20	1175	City of Industry (LA County)	Pest Abatement - July 2020	(340.70)
Total				<u>\$ (10,268.76)</u>

**Tres Hermanos Conservation Authority JPA
Transaction List by Vendor
October 2020**

Date	Check #	Vendor	Memo/Description	Amount
10/6/20	1176	Woodruff, Spradlin & Smart	Legal - Aug 2020	\$ (690.20)
10/6/20	1178	City of Chino Hills	Water - 08/12/20 - 09/14/20	(311.26)
10/6/20	1177	City of Chino Hills	QuickBooks FY20-21	(763.61)
10/8/20	1179	Kline's Plumbing, Inc.	Plumbing repair	(350.00)
10/14/20	ACH	Citizens Business Bank	Waived Wire Transfer fee	50.00
10/21/20	1180	Egoscue Law Group, Inc.	Legal - Sep 2020	(175.00)
10/21/20	1181	Janus Pest Management, Inc.	Squirrel/Pest Control - Sep 2020	(1,900.00)
10/27/20	1182	Industry Security Services, Inc.	Security - Sep 2020	(2,905.88)
Total				<u>\$ (7,045.95)</u>

TRES HERMANOS CONSERVATION AUTHORITY
DECEMBER 16, 2020

ITEM NO. 3.3
AMENDED CHECK REGISTER
(SEPTEMBER 2020)

**Tres Hermanos Conservation Authority JPA
Transaction List by Vendor
September 2020**

Date	Check #	Vendor	Memo/Description	Amount
9/4/20	ACH	Citizens Business Bank	Service Charge	\$ (50.00)
9/10/20	1168	Woodruff, Spradlin & Smart	Legal - July 2020	(514.90)
9/10/20	1169	City of Chino Hills	Water - 07/13/20 - 08/12/20	(293.36)
9/10/20	1170	Industry Security Services, Inc.	Security - July 2020	(3,109.80)
9/10/20	1171	Janus Pest Management, Inc	Squirrel/Pest Control - Jun 2020	(1,900.00)
9/10/20	1172	Janus Pest Management, Inc	Squirrel/Pest Control - July 2020	(1,900.00)
9/28/20	1173	CNC Engineering	Water Surface Elevations - Jun 2020	(185.00)
9/28/20	1174	Janus Pest Management, Inc	Squirrel/Pest Control - Aug 2020	(2,025.00)
9/28/20	1175	City of Industry (LA County)	Pest Abatement - July 2020	(4,916.44)
Total				\$ (14,894.50)

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 5.1

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 5.1

Date: December 16, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director *TH*
Subject: Establishment of By-Laws of the Tres Hermanos Conservation Authority

Recommendation:

Adopt a Resolution entitled:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY ADOPTING BY-LAWS OF THE TRES HERMANOS CONSERVATION AUTHORITY

Background/Analysis:

Section 2.4.J of the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement (JPA) provides for the Authority Board to adopt rules, regulations, policies, by-laws and procedures consistent with the JPA for governing the operation of the Authority. The proposed By-Laws would designate additional roles and provide additional clarifications regarding the rotation of administrative duties to provide for continuity, efficiency and transparency in the on-going operation of the Authority. The proposed Resolution and By-Laws are included in Attachment 1. The By-Laws can be amended or revised at any time by future action of the Authority Board.

The first administrative rotation of Member Agency staff roles contemplated in Section 3.12 of the JPA is scheduled to occur in January 2021 and includes:

- Executive Director – Diamond Bar City Manager
- Deputy Director – Chino Hills City Manager
- Secretary – Diamond Bar City Clerk
- Treasurer – City of Industry Finance Director

As the Authority has now operated for almost two years under its new organization, opportunities have been identified by staff to improve and build upon the roles and

responsibilities contemplated by the JPA to effectively administer the Authority and manage on-going operations of the Tres Hermanos Ranch property. The proposed By-Laws include the following provisions:

- **Custodian of Records**

By-Law Section 1.3 would designate Chino Hills City Hall as the office where all official records and permanent records are retained. The JPA did not identify any such location. While the City Clerks from each of the Member Agencies will serve a Secretary, there needs to be one official location for all records of the Authority to provide for operation efficiency and transparency. Having each City maintain records while serving as Secretary would not be as effective and could lead to gaps in records or other inefficiencies in record retention as time goes on.

- **Filing Officer**

JPA Section 3.15 provides for all Directors to file annual statements of economic interest under the Political Reform Act. Given the rotation of administrative title and different Member Agencies, having this administered by each of the City Clerks is not practical under the Fair Political Practices Commission systems. By-Law Section 1.4 would designate the Chino Hills City Clerk as the Filing Officer for disclosures, conflicts of interest and other requirements of the Political Reform Act. The JPA did not make such a designation.

- **Administrative Director Position Created**

As previously mentioned, the JPA provides for the rotation of administrative positions every two years, including the City Manager that would serve as the Executive and Deputy Executive Director. However, with three Member Agencies, there would always be a City Manager at any given time that would not have a role. The JPA did not provide for the third City Manager to have a role in the administration of the Authority. By-Law Section 1.5 would create a new Administrative Director position to provide valuable and needed assistance, continuity and efficiency with the on-going daily operations of the Authority. The City Manager that is not serving as the Executive or Deputy Executive Director would serve as the Administrative Director. Based on the rotation schedule, the City of Industry City Manager would assume this role in January 2021.

- **Designation of Treasurer**

Again, the JPA provides for the rotation of administrative positions every two years, including the Treasurer. The JPA did not contemplate some of the logistical, accounting and auditing challenges that would occur with moving the financial records

and accounting/auditing responsibilities every two years. By-Laws Section 1.6 designates the Chino Hills Finance Director as the Treasurer and this designation would not be subject to future rotation. Each of the three Member Agency Finance Directors support this approach and will continue to be involved in budget and accounting oversight for the Authority. Chino Hills has the finance, accounts payable and auditing system established and is willing to retain its current role as Treasurer. See related Agenda Item for additional information on this topic.

Fiscal Impact:

There is no fiscal impact as Member Agency staff will continue to provide in-kind services to the Authority for the roles created and/or designated under the By-Laws. The one exception is for the Treasurer position where Chino Hills proposes to be reimbursed approximately \$30,000 annually for their services since this position will no longer rotate. See separate related Agenda Item.

Legal Review:

The Authority Attorney has reviewed and approved the By-Laws as to form.

Respectfully submitted,

Daniel Fox

Daniel Fox
Deputy Executive Director

Reviewed by,



Troy Helling
Executive Director

Attachments:

1. Resolution No. THCA 2020-03
Exhibit 1: By-Laws of the Tres Hermanos Conservation Authority

RESOLUTION NO. THCA 2020-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TRES HERMANOS CONSERVATION AUTHORITY ADOPTING
BY-LAWS OF THE TRES HERMANOS CONSERVATION
AUTHORITY

WHEREAS, Section 2.4.J of the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement (JPA) provides for the Authority Board to adopt rules, regulations, policies, by-laws and procedures consistent with the JPA for governing the operation of the Authority;

WHEREAS, the Authority desires to designate Chino Hills City Hall as the location where all official records and permanent records are retained;

WHEREAS, the Authority desires to designate the Chino Hills City Clerk as the Filing Officer for financial disclosures, conflicts of interest and other requirements of the Political Reform Act of 1974;

WHEREAS, the Authority desires to establish an Administrative Director position that will be filled by the City Manager that is not serving as the Executive or Deputy Executive Director;

WHEREAS, the Authority desires to designate the Chino Hills Finance Director to serve as Treasurer which will not be subject to the administrative rotation between the Member Agencies for accounting and auditing purposes; and

WHEREAS, the establishment of By-Laws providing for such designations and positions is necessary for the administrative continuity, efficiency and transparency in the on-going operations of the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Tres Hermanos Conservation Authority as follows:

Section 1. By-Laws of the Tres Hermanos Conservation Authority are hereby established and approved as provided in Exhibit No. 1, attached hereto.

SECTION 2. This resolution shall take effect immediately upon its passage and adoption.

PASSED, APPROVED, AND ADOPTED this 16th day of December 2020.

Steve Tye
Chair
Tres Hermanos Conservation Authority

ATTEST:

I, Julie Gutierrez-Robles, Secretary of the Tres Hermanos Conservation Authority, do hereby certify that the foregoing Resolution was duly and regularly passed, approved and adopted by the Board of Directors of the Tres Hermanos Conservation Authority, at its regular meeting held on the 16th day of December 2020, by the following Roll Call vote:

- AYES: BOARD MEMBERS:
- NOES: BOARD MEMBERS:
- ABSENT: BOARD MEMBERS:
- ABSTAIN: BOARD MEMBERS:

Julie Gutierrez-Robles
 Secretary
 Tres Hermanos Conservation Authority

Attachments:

Exhibit 1: By-Laws of the Tres Hermanos Conservation Authority

BY-LAWS

of the

TRES HERMANOS CONSERVATION AUTHORITY

Adopted:

Reso _____

Date _____

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BY-LAWS

of the

TRES HERMANOS CONSERVATION AUTHORITY

1.1 Authority

The following By-Laws are hereby established in accordance with Section 2.4.J of the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement (JPA). Nothing contained in these By-Laws is intended to conflict with or nullify any provisions of the JPA. Should a conflict be determined to exist between the JPA and these By-Laws, the JPA shall prevail.

1.2 Definitions

Unless otherwise specified herein, all Definitions contained in the JPA shall also apply to these By-Laws.

1.3 Custodian of Records

Section 3.3 of the JPA provides for the principal office of the Authority to be the City Hall of the Member whose City Manager is serving as Executive Director.

To provide for administrative continuity, efficiency and transparency as the principal office rotates, Chino Hills City Hall shall be considered the office where all official and permanent records shall be retained. A Records Retention Schedule determining the disposition of official records shall be established by Resolution of the Board.

1.4 Filing Officer

Section 3.15 of the JPA requires all Directors and their alternates to file annual statements of economic interests. The Chino Hills City Clerk shall serve as the Filing Officer for financial disclosures, conflict of interests, and other requirements of the Political Reform Act of 1974.

1.5 Administrative Director Position Created

Sections 3.7 through 3.11 of the JPA establish certain positions to carry out the administrative responsibilities of the Authority. Section 3.12 provides for the rotation of such positions between the Members. An Administrative Director position is hereby created to provide for the administrative continuity and efficiency of the Authority.

The City Manager that is not serving as either the Executive Director or Deputy Executive Director as provided for in JPA Section 3.12 shall serve as the Administrative Director. The Administrative Director shall provide assistance to the Executive and Deputy Executive Directors as necessary in the day-to-day management and operation of the Authority, and may serve as the Executive Director in the absence of both the Executive and Deputy Executive Directors.

1.6 Rotation of Administration / Treasurer

Section 3.12 of the JPA provides for the rotation of the Executive Director, Deputy Executive Director, Treasurer, and Secretary. To provide for continuity, efficiency, transparency and best management accounting and auditing practices as the Administration rotates, the Chino Hills Finance Director shall serve as Treasurer for the term of this JPA.

1.7 Amendments to By-Laws

The By-Laws may be amended or repealed in writing by a majority vote of the Board as provided for in Chapter 6 of the JPA.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 5.2

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 5.2

Date: December 16, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director *TH*
Subject: Rotation of Treasurer Duties

Recommendation:

1. That the Authority approve the Finance Director at the City of Chino Hills as the Treasurer until the Board determines otherwise.
2. Adopt a resolution entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY ADOPTING A BUDGET AMENDMENT FOR FISCAL YEAR 2020-21 INCREASING THE BUDGET BY \$15,000 FOR TREASURER DUTIES

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 3.12, Rotation of Administration, the Treasurer function is supposed to rotate between the City of Chino Hills (Chino Hills) and the City of Industry every two years. The first rotation is set to take place on January 1, 2021.

The Treasurer role and other finance duties take approximately 20 hours a month to complete. Currently, Chino Hills has the financial audit as a component of their audit contract, so the Authority pays a nominal fee. If we have to get a stand-alone agreement for Tres Hermanos, it may be difficult to get audit firms to bid on the contract. If audit firms do bid on the contract, the cost will most likely increase significantly to make it beneficial for them to take on. Having good internal controls is also very important and it will be hard to ensure this is happening if the function rotates regularly. The City of Chino Hills Finance Department has sufficient staffing to keep the additional workload and to allow for good internal controls; therefore, staff recommends keeping the Treasurer function with the City of Chino Hills.

If approved, the Treasurer function would no longer rotate which means only Chino Hills will be spending staff time on the functions as opposed to the workload rotating to the other cities. In order to keep the arrangement equitable, it is recommended that Chino

Hills be reimbursed starting January 1, 2021, since they will perform the work every year. Chino Hills proposes to charge based on actual time spent times the fully burdened hourly rate. The rate for Fiscal Year (FY) 20-21 is \$118.36. A budget amendment of \$15,000, split evenly across all three cities, is recommended to cover the remainder of FY 20-21.

Based on an estimate of 20 hours per month at the fully burdened hourly rate, the annual amount for FY 21/22 should not exceed \$30,000 and will be split evenly across all three cities. Chino Hills' staff will track their time starting January 1, 2021, to charge based on actual time spent and to help develop a more accurate budget figure for future years.

Fiscal Impact:

The proposed budget amendment will increase the expenditure budget by \$15,000 and decrease the projected ending fund balance by \$15,000. Authority staff anticipates the fund balance carryover from the prior fiscal year can cover this amount, so no additional funding will be needed from the member cities. Future costs will be budgeted for in the appropriate fiscal year.

Respectfully submitted,



Christina Buhagiar
Treasurer

Reviewed by,



Troy Helling
Executive Director

Attachments

RESOLUTION NO. THCA 2020-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY ADOPTING A BUDGET AMENDMENT FOR FISCAL YEAR 2020-21 INCREASING THE BUDGET BY \$15,000 FOR TREASURER DUTIES

WHEREAS, Section 5.4 of the Tres Hermanos Conservation Authority Joint Powers Agreement (JPA) requires that expenditures shall be within the limitations of the approved annual budget, and as required for emergency repairs, or as such budget is amended by the Board; and

WHEREAS, at a public meeting on April 15, 2020, the Executive Director presented and the Board of Directors adopted a budget for the Fiscal Year 2020-21 commencing July 1, 2020, and ending June 30, 2021; and

WHEREAS, amendments must periodically be made to the budget to conform to changed circumstances following adoption of the budget.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Conservation Authority as follows:

Section 1. Budget Amendment No. 21B002 is hereby approved as reflected on Exhibit No. 1, attached hereto.

SECTION 2. This resolution shall take effect immediately upon its passage and adoption.

PASSED, APPROVED, AND ADOPTED this 16th day of December 2020.

Steve Tye
Chair
Tres Hermanos Conservation Authority

Julie Gutierrez-Robles
Authority Secretary
Tres Hermanos Conservation Authority

Resolution No. THCA 2020-04

ATTEST:

I, Julie Gutierrez-Robles, Secretary of the Tres Hermanos Conservation Authority, do hereby certify that the foregoing Resolution was duly and regularly passed, approved and adopted by the Board of Directors of the Tres Hermanos Conservation Authority, at its regular meeting held on the 16th day of December 2020, by the following Roll Call vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Julie Gutierrez-Robles
Secretary
Tres Hermanos Conservation Authority

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 5.3

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 53

Date: December 16, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director *TH*
Subject: Agreement for Professional Services with C & C Engineering, Inc. for professional civil engineering services and field operations management

Recommendation:

1. It is recommended that the Board of Directors authorize the execution of a three and a half-year professional services agreement with two additional one-year renewal options with C & C Engineering, Inc., for on-call professional civil engineering and field operation management services in an amount not to exceed \$85,000.

Background/Analysis:

There are a variety of projects and tasks that can arise at any given time on the Tres Hermanos Property. C & C Engineering, Inc. (C & C) dba CNC Engineering, Inc. has been providing on-call engineering and field operation management related to Tres Hermanos for the City of Industry for many years and is very familiar with the property. The proposed Agreement with C & C would continue those services with the Authority and under the direction of the Board. The span of field operation management tasks can vary and include, but are not limited to, coordinating property maintenance at the tenant house for plumbing and electrical repairs, inspections, painting, tree trimming, cattle rancher coordination and management and utility coordination. Several engineering tasks include conducting water surface elevation measurements at the Arnold Reservoir Dam, if needed, and addressing any drainage issues, roadway rehabilitations and any grading design for the property. Engineering projects would be reviewed and approved by the Authority's three City Engineers. The Agreement will be roughly for three and a half years to align with the fiscal year and services would be provided at the direction of the Executive Director.

The Executive Director has determined that the RFP process is unnecessary for this agreement because C & C Engineering, Inc. is the best provider based on their extensive history with the property and their demonstrated ability to manage the property for minimal cost. Currently the authority has continued to pay invoices to C & C without a direct contract, but should the authority approve this agreement, future invoices will be paid under the terms and conditions of this contract. Staff is estimating expenditures of \$5,000

for the remainder of this fiscal year and approximately \$16,000 per year for the following fiscal years for a total contract amount of \$85,000.00

Fiscal Impact:

The current budgeted amount for professional services should cover this amount and future agreement costs will be budgeted for in the appropriate fiscal year.

Attachment: Agreement for Professional Services Between Tres Hermanos Conservation Authority and C & C Engineering, Inc.

**PROFESSIONAL CIVIL ENGINEERING SERVICES AGREEMENT
BETWEEN TRES HERMANOS CONSERVATION AUTHORITY AND
C & C ENGINEERING, INC.**

THIS AGREEMENT made and entered into as of the date last signed below, between the TRES HERMANOS CONSERVATION AUTHORITY, a joint powers authority, hereinafter referred to as "Authority" and C & C Engineering, Inc., hereinafter referred to as "Consultant". In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. SCOPE OF SERVICES. Consultant agrees to perform the services set forth in Exhibit A "SCOPE OF SERVICES" attached hereto and made a part hereof. Consultant shall submit its work to the Authority for its review after completing each phase of the project as described in Exhibit A, or when otherwise requested by the Authority. Consultant shall, at its own cost, make any revisions of its own work as required by the Authority and re-do, at its own cost, any work which the Authority finds unsatisfactory due to Consultant's or subcontractor's errors or omissions. Consultant represents and warrants that it has the qualifications, experience and facilities to properly perform said services in a thorough, competent and professional manner and shall, at all times during the term of this Agreement, have in full force and effect, all licenses required of it by law. Consultants shall begin its services under this Agreement on December 17, 2020.

2. STATUS OF CONSULTANT. Consultant is and shall at all times remain as to the Authority a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither Authority nor any of its officers, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the Authority. Consultant shall not incur or have the power to incur any debt, obligation or liability whatever against Authority, or bind Authority in any manner. Consultant shall not disseminate any information or reports gathered or created pursuant to this Agreement without the prior written approval of Authority except information or reports required by government agencies to enable Consultant to perform its duties under this Agreement.

3. CONSULTANT'S KNOWLEDGE OF APPLICABLE LAWS. Consultant shall keep itself informed of applicable local, state and federal laws and regulations which may affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Consultant shall observe and comply with all such laws and regulations affecting its employees. Authority and its officers and employees, shall not be liable at law or in equity as a result of any failure of Consultant to comply with this section.

4. PERSONNEL. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services hereunder and shall obtain the approval of the Executive Director of all proposed staff members performing services under this Agreement prior to any such performance.

5. COMPENSATION AND METHOD OF PAYMENT. Compensation to the Consultant shall be as set forth in Exhibit B "Compensation" attached hereto and made a part hereof. Total compensation shall not exceed \$85,000. Payments shall be made within forty-five (45) days after receipt of each invoice as to all undisputed fees. If the Authority disputes any of consultant's fees, it shall give written notice to Consultant within 30 days of receipt of an invoice of any disputed fees set forth on the invoice.

6. ADDITIONAL SERVICES OF CONSULTANT. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein or listed in Exhibit A, unless such additional services are authorized in advance and in writing by the Executive Director. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by Executive Director and Consultant at the time Authority's written authorization is given to Consultant for the performance of said services.

7. ASSIGNMENT. All services required hereunder shall be performed by Consultant, its employees or personnel under direct contract with Consultant. Consultant shall not assign to any subcontractor the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without the prior written consent of Executive Director.

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

9. TERMINATION OF AGREEMENT. This Agreement will terminate on June 30, 2024, unless otherwise extended in advance and in writing by the Authority Executive Director for an additional two (2) one-year renewal options. This Agreement may be terminated with or without cause by either party upon 30 days written notice. In the event of such termination, Consultant shall be compensated for non-disputed fees under the terms of this Agreement up to the date of termination.

10. COOPERATION BY AUTHORITY. All public information, data, reports, records, and maps as are existing and available to Authority as public records, and which are necessary for carrying out the work as outlined in the Scope of Services, shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

11. OWNERSHIP OF DOCUMENTS. Upon satisfactory completion of, or in the event of termination, suspension or abandonment of, this Agreement, all original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall, become the sole property of Authority. With respect to computer files, Consultant shall make available to the Authority, upon reasonable written request by the Authority, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files.

12. RELEASE OF INFORMATION/CONFLICTS OF INTEREST.

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without Authority's prior written authorization excepting that information which is a public record and subject to disclosure pursuant to the California Public Records Act, Government Code § 6250, et seq. Consultant, its officers, employees, agents or subcontractors, shall not without written authorization from the Executive Director or unless requested by the Authority Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the Authority. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives Authority notice of such court order or subpoena.

If Consultant or any of its officers, employees, consultants or subcontractors does voluntarily provide information in violation of this Agreement, Authority has the right to reimbursement and indemnity from Consultant for any damages caused by Consultant's conduct, including the Authority's attorney fees.

Consultant shall promptly notify Authority should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any

project or property located within the Authority. Authority retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with Authority and to provide Authority with the opportunity to review any response to discovery requests provided by Consultant. However, Authority's right to review any such response does not imply or mean the right by Authority to control, direct, or rewrite said response.

(b) Consultant covenants that neither they nor any officer or principal of their firm have any interest in, or shall they acquire any interest, directly or indirectly which will conflict in any manner or degree with the performance of their services hereunder. Consultant further covenants that in the performance of this Agreement, no person having such interest shall be employed by them as an officer, employee, agent, or subcontractor without the express written consent of the Executive Director. Consultant further covenants that Consultant has not contracted with nor is performing any services directly or indirectly with any developer(s) and/or property owner(s) and/or firm(s) and/or partnerships owning property in the Authority or the study area and further covenants and agrees that Consultant and/or its subcontractors shall provide no service or enter into any agreement or agreements with any developer(s) and/or property owner(s) and/or firm(s) and/or partnerships owning property in the Authority or the study area prior to the completion of the work under this Agreement without the express written consent of the Executive Director.

13. DEFAULT. In the event that Consultant is in default of any of the provisions of this Agreement, Authority shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant.

14. INDEMNIFICATION.

(a) Consultant represents it is skilled in the professional calling necessary to perform the services and duties agreed to hereunder by Consultant, and Authority relies upon the skills and knowledge of Consultant. Consultant shall perform such services and duties consistent with the standards generally recognized as being employed by professionals performing similar service in the State of California.

(b) Consultant is an independent contractor and shall have no authority to bind Authority nor to create or incur any obligation on behalf of or liability against Authority, whether by contract or otherwise, unless such authority is expressly conferred under this agreement or is otherwise expressly conferred in writing by Authority. Authority, its elected and appointed officials, officers, agents, employees and volunteers (individually and collectively, "Indemnitees") shall have no liability to Consultant or to any other person for, and Consultant shall indemnify, defend, protect and hold harmless the Indemnitees from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "Claims"), which the Indemnitees may suffer or incur or to which the Indemnitees may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of

property, economic loss or otherwise occurring as a result of or allegedly caused by the negligent or wrongful acts or omissions of Consultant, its agents, officers, directors or employees, in performing any of the services under this agreement.

Consultant represents and warrants that it is aware of the requirements of Assembly Bill 5, Worker Status: Employees and Independent Consultants, effective January 1, 2020, including the provisions set forth in California Labor Code Section 2750.3. Consultant agrees to fully comply with the provisions of AB 5 and Labor Code Section 2750.3. Consultant shall indemnify, defend and hold harmless, the Authority, its officers, employees and agents, from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, Consultant's or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or Subconsultants of Consultant, failure or alleged failure to comply with the provisions of AB 5 and/or Labor Code Section 2750.3. The provisions of this subsection (c) shall be effective as of December 17, 2020.

If any action or proceeding is brought against the Indemnitees by reason of any of the matters against which Consultant has agreed to indemnify the Indemnitees as above provided, Consultant, upon notice from the Authority, shall defend the Indemnitees at Consultant's expense by counsel acceptable to the Authority. The Indemnitees need not have first paid any of the matters as to which the Indemnitees are entitled in order to be so indemnified. The insurance required to be maintained by Consultant under paragraph 15 shall ensure Consultant's obligations under this paragraph 14(b), but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of this paragraph 14(b) shall survive the expiration or earlier termination of this agreement.

The Consultant's indemnification does not extend to Claims occurring as a result of the Authority's sole negligent or willful acts or omissions.

15. INSURANCE.

A. Insurance Requirements. Consultant shall provide and maintain insurance acceptable to the Authority Attorney in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Consultant, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise approved and accepted by the Executive Director or his/her designee in writing. Consultant shall provide the following scope and limits of insurance:

(1) Minimum Scope of Insurance. Coverage shall be at least as broad as:

(a) Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(b) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or owned, hired, non-owned, scheduled, non-scheduled or rented vehicles, (or combination thereof dependent upon work being performed under contract), or equivalent forms subject to the written approval of the Authority.

(c) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the Consultant and all risks to such persons under this Agreement.

(d) Errors and omissions liability insurance appropriate to the Consultant's profession.

(2) Minimum Limits of Insurance. Consultant shall maintain limits of insurance no less than:

(a) General Liability: \$2,000,000 per occurrence (\$4,000,000 aggregate) for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the activities related to this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability: \$2,000,000 per accident for bodily injury and property damage.

(c) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

(d) Errors and Omissions Liability: \$1,000,000 per claim.

If coverage is maintained on a claims-made basis, Consultant/Contractor shall maintain such coverage for an additional period of three (3) years following termination of the contract.

B. Other Provisions. Insurance policies required by this Agreement shall contain the following provisions:

(1) All Policies. Each insurance policy required by this paragraph 15 shall be endorsed and state the coverage shall not be suspended, voided, canceled by the insurer or either party to this Agreement, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to the Authority.

(2) General Liability and Automobile Liability Coverages.

(a) Authority, its officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs, products and completed operations of Consultant; premises owned, occupied or used by Consultant, or automobiles owned, leased or hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to Authority, its officers, officials, or employees.

(b) Consultant's insurance coverage shall be primary insurance as respect to Authority, its officers, officials, employees and volunteers.

Any insurance or self-insurance maintained by Authority, its officers, officials, employees or volunteers shall apply in excess of, and not contribute with, Consultant's insurance.

(c) Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(d) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Authority, its officers, officials, employees or volunteers.

(3) Workers' Compensation and Employer's Liability Coverage. Unless the Executive Director otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against Authority, its officers, officials, employees and agents for losses arising from work performed by Consultant for Authority.

C. Other Requirements. Consultant agrees to deposit with Authority, at or before the effective date of this contract, certificates of insurance necessary to satisfy Authority that the insurance provisions of this contract have been complied with. The Authority Attorney may require that Consultant furnish Authority with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. Authority reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

(1) Consultant shall furnish certificates and endorsements from each subcontractor identical to those Consultant provides.

(2) Any deductibles or self-insured retentions must be declared to and approved by Authority. At the option of the Authority, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Authority, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

(3) The procuring of such required policy or policies of insurance shall not be construed to limit Consultant's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

16. NONDISCRIMINATION/NONPREFERENTIAL TREATMENT STATEMENT. In performing this Agreement, the Parties shall not discriminate or grant preferential treatment on the basis of race, sex, color, age, religion, sexual orientation, disability, ethnicity, or national origin, and shall comply, to the fullest extent allowed by law, with all applicable local, state and federal laws relating to nondiscrimination.

17. UNAUTHORIZED ALIENS. Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. & 1101, et seq.), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this

contract, and should the Federal Government impose sanctions against the Authority for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse Authority for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the Authority in connection therewith.

18. ENTIRE AGREEMENT. This Agreement is the complete, final, entire and exclusive expression of the Agreement between the parties hereto and supersedes any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that no representations by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid and binding.

19. GOVERNING LAW. The Authority and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the San Bernardino County Superior Court.

20. ASSIGNMENT OR SUBSTITUTION. Authority has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon Consultant by this Agreement. In recognition of that interest, neither any complete nor partial assignment of this Agreement may be made by Consultant nor changed, substituted for, deleted, or added to without the prior written consent of Authority. Any attempted assignment or substitution shall be ineffective, null, and void, and constitute a material breach of this Agreement entitling Authority to any and all remedies at law or in equity, including summary termination of this Agreement. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

21. MODIFICATION OF AGREEMENT. The terms of this Agreement can only be modified in writing approved by the Authority Executive Director and the Consultant. The Authority Board will be informed of any approved modified agreement at the first possible JPA public meeting. The parties agree that this requirement for written modifications cannot be waived and any attempted waiver shall be void.

22. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of his/her/their corporation and warrants and represents that he/she/they has/have the authority to bind Consultant to the performance of its obligations hereunder.

23. NOTICES. Notices shall be given pursuant to this Agreement by personal service on the party to be notified, or by written notice by email, or upon

such party deposited in the custody of the United States Postal Service addressed as follows:

Authority.

Attention: Julie Gutierrez-Robles,
Authority Secretary
City of Industry
15625 E. Stafford Street
City of Industry, California 91744

Email: jgrobles@cityofindustry.org

Consultant.

Attention: Clement Calvillo, President
C & C Engineering, Inc.
255 N. Hacienda Blvd., Suite 222
City of Industry, CA 91744

The notices shall be deemed to have been given as of the date of personal service, or three (3) days after the date of deposit of the same in the custody of the United States Postal Service.

24. CONSISTENCY. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the attached Exhibits; this Agreement supersedes any conflicting provisions. Any inconsistency between the Exhibits will be resolved in the order in which the Exhibits appear below:

- A. Exhibit A: Scope of Services
- B. Exhibit B: Compensation

25. SEVERABILITY. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of the other provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year last written below.

**TRES HERMANOS CONSERVATION C & C Engineering, Inc.
AUTHORITY**

Steve Tye, Chair

Signature

(Date)

**Clement N. Calvillo
(Typed/Printed Name)**

Attest:

**President
(Title)**

**Julie Gutierrez-Robles
Secretary**

(Date)

(Date)

APPROVED AS TO FORM:

**Tracy J. Egoscue
Authority General Counsel**

EXHIBIT A

SCOPE OF SERVICES

Consultant shall provide the following services:

- Conduct water surface elevation measurements at the Arnold Reservoir Dam as needed – no more than once per week
- Provide on-call civil engineering services, as needed, including land surveying including but not limited to:
 - Drainage issues
 - Roadway rehabilitations
 - Grading design
 - Miscellaneous engineering tasks, as needed
- Coordination of the following tasks:
 - Plumbing repairs
 - Electrical repairs
 - Carpentry/masonry
 - Landscaping
 - Appliance replacement/repair
 - Inspections (lead, asbestos, Building and Safety permitting – Chino Hills)
 - Painting
 - Fence/gate repair
 - Environmental/Biological coordination
 - Weed abatement (along Diamond Bar and Chino Hills houses/property lines, on reservoir, around tenant home)
 - Rodent Control (on reservoir, around tenant home)
 - Waterline repairs
 - Tree trimming
 - Heavy Equipment repairs, if necessary
 - Trash contractor for one-off dumpster service for clean ups
 - Coordinating requested access for utilities, such as Southern California Edison & SoCal Gas Co.
 - Coordination with contractors to work at Tres Hermanos
 - Coordination with Chino Hills Fire for weed abatement inspections
 - Coordination with security contractor regarding concerns or gate issues
 - Communication with cattle rancher tenants regarding any issues such as water line leaks and fence/gate repair
- Any other services requested by the Executive Director

EXHIBIT B
COMPENSATION

The estimate of annual expenditures is \$16,000.00 which shall be used to establish the budget for any extensions if the executive director approves any extensions.

<u>CLASSIFICATION</u>	<u>RATE/HOUR</u>
Director of Engineering	\$225.00
Senior Project Manager	\$185.00
Project Manager	\$170.00
Project Engineer	\$150.00
Design Engineer	\$135.00
Field Operations Project Manager	\$185.00
Senior Field Operations	\$170.00
Director of Survey	\$195.00
One Person Crew	\$165.00
Two Person Crew	\$260.00
Three Person Crew	\$335.00
Administrative Assistant	\$85.00