
Civic-Recreational-Industrial Authority



Regular Meeting Agenda

August 11, 2021

9:00 a.m.

Chairman Eric Benavidez

Vice Chairman Ronald Whitemore

Board Member Larry Hartmann

Board Member Sean Lee

Board Member Bob Lindsey

Location: City Council Chamber, 15651 Mayor Dave Way

City of Industry, California

Addressing the Authority:

NOTICE OF TELEPHONIC MEETING:

- ***Pursuant to Section 42 of Executive Order N-08-21, issued by Governor Newsom on June 11, 2021, the regular meeting of the Civic-Recreational-Industrial Authority, as of July 8, 2021, will now be held in person and telephonically. Members of the public can attend the hybrid meeting and offer public comments either in person or telephonically, by calling the following conference call number: 657-204-3264, then entering the following Conference ID: 311 993 20#. In accordance with Section 4 of the County of Los Angeles Department of Public Health, Order of the Health Officer, dated July 30, 2021, all individuals who attend the meeting in person must wear a mask. Pursuant to the Governor's Executive Order, and in compliance with the Americans with Disabilities Act, if you need special assistance to participate in the Civic-Recreational-Industrial Authority meeting (including assisted listening devices), please contact the City Clerk's Office at (626) 333-2211 by 5:00 p.m. on Monday August 9, 2021, to ensure that reasonable arrangements can be made to provide accessibility to the meeting.***

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- ***Agenda Items:*** Members of the public may address the Civic-Recreational-Industrial Authority 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.
 - ***Public Comments (Non-Agenda Items Only):*** Anyone wishing to address the Civic-Recreational-Industry Authority on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Authority from taking action on a specific item unless it appears on the posted Agenda.

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 Mayor Dave Way, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Thursday, 8:00 a.m. to 5:00 p.m., Fridays 8:00 a.m. to 4:00 pm. City Hall doors are closed between 12:00 p.m. to 1:00 p.m. each day. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.

1. Call to Order
2. Flag Salute
3. Roll Call
4. Public Comments
5. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the Civic-Recreational-Industrial Authority (CRIA) Board, the public, or staff request specific items be removed from the Consent Calendar for separate action.

- 5.1 Consideration of the Register of Demands submitted by the Finance Department for August 11, 2021

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate personnel to pay the bills.

- 5.2 Consideration of the Register of Demands submitted by CNC Equestrian Management Services for the Industry Hills Expo Center for June 2021

RECOMMENDED ACTION: Receive and file.

- 5.3 Consideration of the minutes of the July 7, 2021 regular meeting

RECOMMENDED ACTION: Approve as submitted.

- 5.4 Consideration of the Statement of Investment Policy

RECOMMENDED ACTION: Approve as submitted.

- 5.5 Consideration of Notice of Completion, for Contract No. CIP-IH-18-007-B Resurfacing Design – Expo Center Parking Lot with Sialic Contractors Corporation dba Shawnan

RECOMMENDED ACTION: Authorize the CRIA Engineer to execute the Notice of Completion and authorize the City Clerk to file the Notice of Completion.

- 5.6 Consideration of Amendment No. 3 to the Professional Services Agreement with Melzer Deckert & Ruder Architects, Inc., for design services on the Pavilion Building Upgrades at the Industry Hills Expo Center, revising the scope of services and increasing compensation by \$9,335.00 (MP 01-34 #24)

RECOMMENDED ACTION:

Approve the Amendment.

6. **BOARD MATTERS**

- 6.1 Update on the Expo Center

RECOMMENDED ACTION:

Receive and file.

- 6.2 Presentation and discussion regarding the Civic-Recreational-Industrial Authority's Financial Report for May 31, 2021

RECOMMENDED ACTION:

Receive and file the report.

- 6.3 Consideration of a Professional Services Agreement with Environs, Inc. to provide on-call landscape architecture services in an amount not to exceed \$100,000.00 through August 12, 2024

RECOMMENDED ACTION:

Approve the Agreement.

7. **EXECUTIVE DIRECTOR COMMUNICATIONS**

8. Adjournment. Next regular meeting: Wednesday, September 8, 2021 at 9:00 a.m.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.1

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
AUTHORIZATION FOR PAYMENT OF BILLS
Board Meeting August 11, 2021

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
120	CAPITAL IMPROVEMENT FUND	282,584.09
121	CRIA - CAPITAL IMPROVEMENT	106,093.94
360	INDUSTRY HILLS EXPO OPERATING ACCOUNT	254,180.38
TOTAL ALL FUNDS		642,858.41

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
WFCK	WELLS FARGO CHECKING	642,858.41

APPROVED PER CITY MANAGER

**Civic-Recreational Industrial Authority
Board Meeting
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Check	Date			Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking					
11245	07/14/2021	INDUSTRY PUBLIC UTILITIES			\$2,819.43
	Invoice	Date	Description	Amount	
	2022-00000069	07/01/2021	04/19-06/17/21 SVC - MAIN GUARD SHACK	\$88.56	
	2022-00000070	07/01/2021	04/19-06/17/21 SVC - GRAND ARENA - E SIDE OF PARKI	\$140.41	
	2022-00000071	07/01/2021	04/19-06/17/21 SVC - GRAND ARENA - S SIDE OF PARKI	\$60.32	
	2022-00000072	07/01/2021	04/19-06/17/21 SVC - NEAR CAFE @ GRAND EXPO	\$87.18	
	2022-00000073	07/01/2021	04/19-06/17/21 SVC - PATIO CAFE	\$46.20	
	2022-00000074	07/01/2021	04/19-06/17/21 SVC - GRAND ARENA CAFE	\$204.39	
	2022-00000075	07/01/2021	04/19-06/17/21 SVC - SNACK BAR @ GRAND ARENA	\$138.16	
	2022-00000076	07/01/2021	04/19-06/17/21 SVC - BUILDING 4 - E SIDE OF PLANTER	\$131.41	
	2022-00000077	07/01/2021	04/19-06/17/21 SVC - WATER TOWER @ PAVILION PARI	\$691.66	
	2022-00000078	07/01/2021	04/19-06/17/21 SVC - ARENA NEAR BUNKHOUSE	\$117.91	
	2022-00000079	07/01/2021	04/19-06/17/21 SVC - EXPO OFFICE	\$142.66	
	2022-00000080	07/01/2021	04/19-06/17/21 SVC - BARN D	\$142.66	
	2022-00000081	07/01/2021	04/19-06/17/21 SVC - DC @ BARN D	\$133.66	
	2022-00000082	07/01/2021	04/19-06/17/21 SVC - BARN E	\$133.66	
	2022-00000083	07/01/2021	04/19-06/17/21 SVC - DC @ BARN E	\$133.66	
	2022-00000084	07/01/2021	04/19-06/17/21 SVC - BATHROOM @ BARN E	\$124.66	
	2022-00000085	07/01/2021	04/19-06/17/21 SVC - HORSE TRAINING AREA BEHIND E	\$117.91	
	2022-00000086	07/01/2021	04/19-06/17/21 SVC - 1ST GUARD SHACK	\$50.70	
	2022-00000087	07/01/2021	04/19-06/17/21 SVC - S SIDE OF BLDG BEHIND GATED A	\$133.66	
11246	08/02/2021	CRIA-EQUESTRIAN CENTER			\$92,000.00
	Invoice	Date	Description	Amount	
	JUN-21	07/28/2021	REIMBURSEMENT FOR JUNE 2021 OPERATING COSTS	\$92,000.00	
11247	08/11/2021	ABSOLUTE INTERNATIONAL SECURIT			\$80,219.98

**Civic-Recreational Industrial Authority
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Check	Date			Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking					
	Invoice	Date	Description		Amount
	2020102988	07/01/2021	JUNE 2021 SECURITY SVC - EXPO CENTER		\$37,341.91
	2020103150	08/01/2021	JULY 2021 SECURITY SVC - EXPO CENTER		\$42,878.07
11248	08/11/2021			CITY OF INDUSTRY	\$196.17
	Invoice	Date	Description		Amount
	2021-00000070	06/30/2021	JUNE 2021 FUEL COSTS		\$196.17
11249	08/11/2021			CITY OF INDUSTRY-REFUSE	\$900.00
	Invoice	Date	Description		Amount
	4464872	07/01/2021	IH RODEO STORAGE BOXES		\$450.00
	4499127	08/01/2021	IH RODEO STORAGE BOXES		\$450.00
11250	08/11/2021			CNC ENGINEERING	\$41,384.57
	Invoice	Date	Description		Amount
	503329	07/08/2021	RESURFACING DESIGN-EXPO CENTER PARKING LOT		\$2,797.50
	503330	07/08/2021	SEWER DESIGN - EXPO CENTER SEWER MAIN REPLAC		\$700.00
	503331	07/08/2021	AVALON ROOM IMPROVEMENTS		\$800.00
	503332	07/08/2021	NEW BANQUET FACILITY AT THE EXPO CENTER		\$1,915.00
	503333	07/08/2021	PAVILION UPGRADES		\$800.00
	503334	07/08/2021	EXPO CENTER ROADS REHABILITATION		\$2,757.50
	503335	07/08/2021	GAZEBO AT EXPO CENTER PAVILION BUILDING		\$3,948.75
	503336	07/08/2021	EXPO CENTER IT INFRASTRUCTURE UPGRADES		\$600.00
	503433	07/29/2021	EXPO CENTER - STANDARDS OF FACILITIES MAINTEN		\$2,938.75
	503435	07/29/2021	SEWER DESIGN - EXPO CENTER SEWER MAIN REPLAC		\$1,312.50
	503437	07/29/2021	PAVILION UPGRADES		\$1,240.00
	503434	07/29/2021	RESURFACING DESIGN-EXPO CENTER PARKING LOT		\$3,162.07

**Civic-Recreational Industrial Authority
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Check	Date			Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking					
503438	07/29/2021		EXPO CENTER ALARM SYSTEM UPGRADES		\$805.00
503439	07/29/2021		EXPO CENTER AUDIO/VIDEO UPGRADES		\$100.00
503440	07/29/2021		EXPO CENTER ELECTRICAL LOADING MASTER PLAN		\$1,170.00
503441	07/29/2021		EXPO CENTER ROADS REHABILITATION		\$3,727.50
503442	07/29/2021		GAZEBO AT EXPO CENTER PAVILION BUILDING		\$10,055.00
503436	07/29/2021		AVALON ROOM IMPROVEMENTS		\$2,355.00
503443	07/29/2021		EXPO CENTER IT INFRASTRUCTURE UPGRADES		\$200.00
11251	08/11/2021			CRIA-PAYROLL ACCOUNT	\$3,000.00
	Invoice	Date	Description		Amount
	AUG-21	07/13/2021	REPLENISH PAYROLL ACCOUNT FOR AUGUST 2021		\$3,000.00
11252	08/11/2021			ELEVATE PUBLIC AFFAIRS, LLC	\$20,000.00
	Invoice	Date	Description		Amount
	2292	07/06/2021	PROFESSIONAL SVC - MARCH 2021		\$5,000.00
	2295	07/06/2021	PROFESSIONAL SVC - APRIL 2021		\$5,000.00
	2298	07/06/2021	PROFESSIONAL SVC - MAY 2021		\$5,000.00
	2301	07/06/2021	PROFESSIONAL SVC - JUNE 2021		\$5,000.00
11253	08/11/2021			FRAZER, LLP	\$2,800.00
	Invoice	Date	Description		Amount
	173295	06/30/2021	PROFESSIONAL SVC - JUNE 2021		\$2,800.00
11254	08/11/2021			GOSS ENGINEERING INC.	\$1,156.68
	Invoice	Date	Description		Amount
	9263	07/09/2021	DESIGN & SPECS - EXPO CENTER BARN LIGHTING UP		\$1,156.68

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Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
11255	08/11/2021		INDUSTRY TIRE SERVICE	\$766.95
	Invoice	Date	Description	Amount
	302970	06/18/2021	TIRE SVC - EXPO CENTER CASE 570 MXT TRACTOR	\$766.95
11256	08/11/2021		IRRI-CARE PLUMBING & BACKFLOW T	\$225.00
	Invoice	Date	Description	Amount
	12458	07/13/2021	BACKFLOW TESTING - EXPO CENTER	\$225.00
11257	08/11/2021		MELZER DECKERT & RUDER ARCHITE	\$34,800.00
	Invoice	Date	Description	Amount
	6421	06/29/2021	DESIGN SVC - EXPO CENTER PAVILLION	\$34,800.00
11258	08/11/2021		OLDHAM ARCHITECTS INC.	\$18,411.87
	Invoice	Date	Description	Amount
	21010-01	07/15/2021	ARCHITECTURAL & ENGINEERING REVIEW - NEW BAN	\$18,411.87
11259	08/11/2021		SATSUMA LANDSCAPE & MAINT.	\$48,314.10
	Invoice	Date	Description	Amount
	0621EC	06/30/2021	JUNE 2021 LANDSCAPE MAINTENANCE	\$27,487.00
	0721EC	07/28/2021	JULY 2021 LANDSCAPE MAINTENANCE	\$20,827.10
11260	08/11/2021		SHAWNAN	\$232,308.66
	Invoice	Date	Description	Amount
	#13EXPO-1	08/01/2021	RESURFACING DESIGN - EXPO CENTER PARKING LOT	\$70,813.40
	#13EXPO-51	08/01/2021	RETENTION - RESURFACING DESIGN-EXPO CENTER P	\$9,212.00
	#13EXPO-102	08/01/2021	RESURFACING DESIGN - EXPO CENTER PARKING LOT	\$21,880.00
	#13EXPO-152	08/01/2021	RESURFACING DESIGN - EXPO CENTER PARKING LOT	\$130,403.26

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Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
	#13EXPO-1-R	08/01/2021	RETENTION - RESURFACING DESIGN-EXPO CENTER P	\$3,540.68
	#13EXPO-51-R	08/01/2021	RETENTION - RESURFACING DESIGN-EXPO CENTER P	\$460.60
	#13EXPO-102-R	08/01/2021	RETENTION - RESURFACING DESIGN-EXPO CENTER P	\$1,094.00
	#13EXPO-152-R	08/01/2021	RETENTION - RESURFACING DESIGN-EXPO CENTER P	\$6,520.16
11261	08/11/2021		VASILJ, INC.	\$63,555.00
	Invoice	Date	Description	Amount
	#5EXPO-2129	08/01/2021	EXPO CENTER SEWER REPLACEMENT PHASE B	\$66,900.00

Checks	Status	Count	Transaction Amount
	Total	17	\$642,858.41

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.2

Industry Hills Expo Center
 Check Detail
 June 2021

Industry Hills Expo Center - Check Register
 JUNE

DATE	CHECK #	PAYEE	AMOUNT	DETAILS
06/09/2021	16626	CINTAS	492.32	MATS, MOPS AND UNIFORMS
06/09/2021	16627	CITY OF INDUSTRY	890.13	ROLL OFF, AND DUMP FEES.
06/09/2021	16628	FRONTIER COMMUNICATIONS	290.98	INTERNET EXP.
06/09/2021	16629	JANUS PEST MANAGEMENT, INC.	934.00	PROPERTY MAINT. EXP.
06/09/2021	16630	OFFICE DEPOT	93.45	SUPPLIES EXP.
06/09/2021	16631	PITNEY BOWES GLOBAL FINANCE	196.27	POSTAGE
06/09/2021	16632	RANCHO JANITORIAL SUPPLIES	57.73	SUPPLES EXP.
06/28/2021	16633	PAV-091821R JESUS BANUELOS	3,200.00	EVENT CANCELLATION REFUND*

***INDICATES CANCELLATION DUE TO COVID-19 OUTBREAK**

TOTAL	6,154.88
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CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.3

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JULY 7, 2021
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The Regular Meeting of the Civic-Recreational-Industrial Authority of the City of Industry, California, was called to order by Chairman Eric Benavidez at 9:00 a.m., telephonically using Conference Call Number, 657-204-3264, Conference ID: 690 366 772#.

FLAG SALUTE

The flag salute was led by Vice Chairman Whittemore.

ROLL CALL

PRESENT: Eric Benavidez, Chairman
Ronald Whittemore, Vice Chairman
Larry Hartmann, Board Member
Sean Lee, Board Member

ABSENT: Bob Lindsey, Board Member

STAFF PRESENT: Troy Helling, Executive Director; Bing Hyun, Assistant City Manager; James M. Casso, General Counsel; Julie Robles, Secretary; and Lynn Thompson, Administrative Technician III.

PUBLIC COMMENTS

Chairman Benavidez asked the public for any public comments to include last week's special meeting on June 30, 2021, where the public was not available by phone to be included, specifically on the Budget, Resolution No., CRIA 2021-02. There were no comments.

General Counsel, James M. Casso, asked for a revision to Section 2 on Resolution No. CRIA 2021-04, for Item 5.4 on today's agenda to include the following: "The Board hereby adopts the FY 2022 Budget, effective July 1, 2021, attached hereto as Exhibit A, and incorporated herein by reference."

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
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CONSENT CALENDAR

5.1 CONSIDERATION OF THE REGISTER OF DEMANDS SUBMITTED BY THE FINANCE DEPARTMENT FOR JULY 7, 2021

RECOMMENDED ACTION: *Approve the Register of Demands and authorize the appropriate personnel to pay the bills.*

5.2 CONSIDERATION OF THE REGISTER OF DEMANDS SUBMITTED BY CNC EQUESTRIAN MANAGEMENT SERVICES FOR THE INDUSTRY HILLS EXPO CENTER FOR MAY 2021

RECOMMENDED ACTION: *Receive and file.*

5.3 CONSIDERATION OF THE MINUTES OF THE JUNE 9, 2021 REGULAR MEETING AND THE JUNE 30, 2021 SPECIAL MEETING

RECOMMENDED ACTION: *Approve as submitted.*

5.4 CONSIDERATION OF RESOLUTION NO. CRIA 2021-04 - A RESOLUTION OF THE CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY ("CRIA") RATIFYING THE FISCAL YEAR 2021-22 CRIA BUDET

RECOMMENDED ACTION: *Adopt Resolution No. CRIA 2021-04.*

5.5 CONSIDERATION OF RESOLUTION NO. CRIA 2021-03 - A RESOLUTION OF THE CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY, APPROVING BLANKET PURCHASE ORDERS ("BPOS") FOR VENDORS TOTALING \$10,000.00 AND OVER FOR FY 2021-2022

RECOMMENDED ACTION: *Adopt Resolution No. CRIA 2021-03.*

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
REGULAR MEETING MINUTES
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5.6 CONSIDERATION OF AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH MELZER DECKERT & RUDER ARCHITECTS, INC., TO PROVIDE DESIGN SERVICES FOR THE PAVILION BUILDING UPGRADES AT THE INDUSTRY HILLS EXPO CENTER, INCREASING COMPENSATION BY \$19,900.00 AND REVISING THE INDEMNITY PROVISIONS (MP 01-34 #24)

RECOMMENDED ACTION:

Approve the Amendment.

5.7 CONSIDERATION OF CHANGE ORDER NO. 12, AND CLOSEOUT CHANGE ORDER NO. 13, IN THE AMOUNT OF \$128,893.26, FOR CONTRACT NO. CIP-IH-18-007-RESURFACING DESIGN – EXPO CENTER PARKING LOT WITH SIALIC CONTRACTORS CORPORATION DBA SHAWNAN

RECOMMENDED ACTION:

Approve Change Order Nos. 12

and 13 and authorize the Chair to execute the Change Orders.

MOTION BY BOARD MEMBER HARTMANN AND SECOND BY VICE CHAIRMAN WHITTEMORE TO APPROVE THE CONSENT CALENDAR WITH THE REVISION TO SECTION 2, ON ITEM 5.4. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	HARTMANN, LEE, V/C WHITTEMORE, C/BENAVIDEZ
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	LINDSEY
ABSTAIN:	BOARD MEMBERS:	NONE

BOARD MATTERS

6.1 UPDATE ON THE EXPO CENTER

RECOMMENDED ACTION:

Receive and file.

Expo Facility Ops Manager, Cory Moss provided a staff report and was available to answer any questions.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
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CITY OF INDUSTRY, CALIFORNIA
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MOTION BY BOARD MEMBER HARTMANN AND SECOND BY BOARD MEMBER LEE TO RECEIVE AND FILE. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	HARTMANN, LEE, V/C WHITTEMORE, C/BENAVIDEZ
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	LINDSEY
ABSTAIN:	BOARD MEMBERS:	NONE

6.2 PRESENTATION AND DISCUSSION REGARDING THE CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY'S FINANCIAL REPORT FOR APRIL 30, 2021

RECOMMENDED ACTION: *Receive and file the report.*

Dean Yamagata from Frazier, LLP provided a staff report to the Authority and was available to answer any questions.

MOTION BY VICE CHAIR WHITTEMORE AND SECOND BY BOARD MEMBER HARTMANN TO RECEIVE AND FILE THE REPORT. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	HARTMANN, LEE, V/C WHITTEMORE, C/BENAVIDEZ
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	LINDSEY
ABSTAIN:	BOARD MEMBERS:	NONE

EXECUTIVE DIRECTOR COMMUNICATIONS

Chairman Benavidez verified with Executive Director Troy Helling that today is his last meeting with the CRIA Board and Troy Helling confirmed that it was. Chairman Benavidez thanked Troy Helling for his many years of service with the City of Industry and each member congratulated and thanked Troy again for his service.

In honor of Troy Helling's retirement, Chairman Eric Benavidez was provided a quote from Ron Whittemore by John Wooden, "Earn the right to be proud and confident."

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
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ADJOURNMENT

There being no further business, the Civic-Recreational-Industrial Authority adjourned at 9:14 a.m.

Eric Benavidez, Chairman

Julie Robles, Secretary

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.4



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

To: Chairman Benavidez and Members of the Board

From: Troy Helling, Executive Director *TH*

Staff: Elise Calvo, Treasurer *EC*

Date: June 24, 2021

Subject: Statement of Investment Policy

OVERVIEW

Section 53646 (a)(2) of the California Government Code, states that the Treasurer or chief fiscal officer of any other local agency may annually render to his/her legislative body and any oversight committee an investment policy, that the legislative body shall consider at a public meeting.

This Agenda Item includes the Statement of Investment Policy for the City of Industry dated July 8, 2021, for all future investments, pursuant to Section 53601 and Section 53635 of the California Government Code.

This investment Policy serves as the foundation of the Civic-Recreational-Industrial Authority's investment goals and priorities. This policy will be reviewed regularly or at least annually to assure that it continues to meet the CRIA's portfolio goals/priorities, with the intent to protect the assets of the Civic-Recreational-Industrial Authority. The existence of an approved investment policy demonstrates that the governing body is performing its fiduciary responsibilities, thereby, inspiring trust and confidence among the public that it serves.

RECOMMENDATION

It is my recommendation that the Board approve the Investment Policy.

City of Industry

STATEMENT OF INVESTMENT POLICY

ELISE CALVO, CITY TREASURER

CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

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CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

Effective July 9, 2020

(Supersedes All Previous Investment Policies)

1.0 Introduction. The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. Related activities which comprise good cash management include accurate cash projections, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and arranging for a short-term borrowing program which coordinates working capital requirements and investment opportunities.

2.0 Policy. It is the policy of the City of Industry to invest public funds not required for immediate day-to-day operations in safe, liquid and medium term investments. These investments shall yield an acceptable return while conforming to all California statutes and the City's Investment Policy.

3.0 Scope. It is intended that this policy cover the investment activities of all contingency reserves and inactive cash under the direct authority of the City and its component units including but not limited to, the City of Industry, the Successor Agency to the Industry Urban-Development Agency, the Civic-Recreational-Industrial Authority, the Industry Public Utilities Commission, the Industry Public Facilities Authority and the Industry Property and Housing Management Authority.

3.1 Pooled Investments. Investments for the City and its component units will be made on a pooled basis including, but not limited to, the City of Industry, the Successor Agency to the Industry Urban-Development Agency, the Civic-Recreational-Industrial Authority, the Industry Public Utilities Commission, the Industry Public Facilities Authority and the Industry Property and Housing Management Authority. The City's identifies the fund types involved as follows:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Trust Funds
- Miscellaneous Special Funds
- Any new funds created by the applicable governing board, unless specifically exempted

CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

3.2 Investments held separately. Investment of bond proceeds will be held separately when required by the bond indentures. Bond proceeds will be invested in accordance with the requirements stated in the bond indentures. This policy does not apply to deferred compensation plans.

4.0 Objectives. Section 53600.5 of the California Government Code outlines the primary objectives of a trustee investing public money. The primary objectives, in order of priority, of the City's investment activities shall be:

4.1. Safety. Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.

4.2 Liquidity. The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

4.3 Return on investment. Investment return becomes a consideration only after the basic requirements of safety and liquidity have been met. The City Treasurer shall attempt to realize a yield on investments consistent with California statutes and the City's Investment Policy.

The City Treasurer should strive to maintain the level of investment of all contingency reserves and inactive funds as close to one hundred percent (100%) as possible. While the objectives of safety and liquidity must first be met, it is recognized that portfolio assets represent a potential source of significant revenues. It is to the benefit of the City that these assets be managed to realize a yield on investments consistent with California statutes and the City's Investment Policy.

A buy and hold strategy will generally be followed; that is, investments once made will usually be held until maturity. A buy and hold strategy will result in unrealized gains or losses as market interest rates fall or rise from the coupon rate of the investment. Unrealized gains or losses, however, will diminish as the maturity dates of the investments are approached or as market interest rates move closer to the coupon rate of the investment. A buy and hold strategy requires that the portfolio be kept sufficiently liquid to preclude the undesired sale of investments prior to maturity. Occasionally, the City Treasurer may find it advantageous to sell an investment prior to maturity, but this should only be on an exception basis and only when it is in the best interest of the City.

CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

5.0 Authorized investments. The City Treasurer may invest City funds in the following investments as specified in the California Government Code Section 53601, and certain investment types are further limited to only the following specified investments.

	Investment Type	Maximum Remaining Maturity	Maximum Specified % of Portfolio	Minimum Quality Requirements	California Government Code Sections
a.	Securities of the US Government, or its agencies Including GSE debt and US Treasury Obligations	5 years	None	None	53601(b)(f) and 53601.6
b.	Negotiable certificates of deposits	5 years	30%	None	53601(1)
c.	Non-negotiable certificates of deposits	5 years	None	None	53630 et seq.
d.	Bankers Acceptances	180 days	40% and no more than 30% of any one commercial bank	None	53601(g)
e.	Commercial Paper	270 days	25% and no more than 10% of a single issuer	A-1 or higher rating from an NRSRO	53601(h)(2)(C), 53635(a)(1)
f.	Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
g.	Collateralized Bank Deposits including passbook Savings account demand deposits	5 years	None	None	53630 et. Seq and 53601 (n)
h.	Repurchase agreements	1 year	None	None	53601(j)
i.	Los Angeles County Investment Pool (California Govt. Code Section 53684)	N/A	None	None	53684
j.	It is the City of Industry's policy no to utilize Reverse Repurchase Agreements or shares of beneficial interest issued by diversified management companies (mutual funds), unless that fund is composed entirely of securities of the U.S. Government, or its agencies, and the use of such funds shall be restricted to sweep accounts. (Reverse Repurchase Agreements shall be permitted if they are assets of the Local Agency Investment Fund).				
k.	Local Agency Bonds	5 years	None	None	53601(a)

CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

l.	Medium-term notes	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
m.	Registered treasury notes or bonds of any of the other 49 states in addition to California *	5 years	None	None	53601(d)
n.	Bonds, notes, warrants, or other evidences of indebtedness of a local agency within California*	5 years	None	None	53601(e)
o.	All securities authorized by the California Code, but which are not currently allowed by this investment policy, must first be approved by City Council at the time of purchase.				

* Includes but not limited to municipal bonds or other indebtedness issued by the City of Industry and/or its related Agencies.

Section 53601 of the California Government Code provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the City Council may grant express authority to make investments either specifically or as a part of an investment program approved by the City Council that exceeds the five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.

5.1 Review of Investment Portfolio. The City's investment portfolio must be in compliance with Section 5.0 of this Policy at the time an investment is purchased. However, due to various reasons the portfolio may not be in compliance. The reasons for noncompliance that may arise include, but are not limited to a downgrade in a security's rating, redemptions or maturities resulting in exceeding maximum percentages of a particular investment type, fluctuation in total portfolio size, a change in the California Government Code, or subsequent update to the Investment Policy that renders investments made under previous policies incompliant.

The Treasurer shall review the portfolios quarterly to identify any securities that are no longer in compliance. The Treasurer shall report any major and critical incidences of noncompliance to the City Manager and City Council and provide recommendations to address the noncompliant securities.

CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

6.0 Reporting. Sections 53607 and 53646 of the California Government Code allows the City Council, at its discretion, to require reports meeting the standards set forth in these sections, as well as any additional information desired. Therefore, it is the policy of the City that the City Treasurer or designee appointed by the City Treasurer file a report on the investments and transactions with the City Council as described in Sections 53607 and 53646 of the California Government Code.

7.0 Selection of financial institutions and brokers/dealers. Investments shall be purchased only through well established, financially sound institutions. The City Treasurer or City Manager or their designee may maintain a list of financial institutions and broker/dealers who are approved to provide the City with investment services. This list should be updated annually by the City Treasurer to ensure compliance with this investment policy. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions will be given a copy of the City's Investment Policy, and a return cover letter which they must sign indicating that the investment policy has been read, understood and that their investment offers will comply with this policy.

All financial institutions and broker/dealers will take direction from the City Treasurer or City Manager or their designee as it relates to the investment strategy and investment policy of the City. Any instructions will be in the form of written instructions via email or other electronic transmissions.

Qualified financial institutions and broker/dealers must supply the City Treasurer or City Manager or their designee with the following:

7.1 Financial Institutions.

- Current audited financial statements
- Depository contracts, as appropriate
- A copy of the latest FDIC call report or the latest FHLBB report, as appropriate
- Proof that commercial banks, savings banks, or savings and loan associations are state or federally chartered

7.2 Broker/Dealers.

- Current audited financial statements
- Proof that brokerage firms are members in good standing of a national securities exchange, or
- A designation as a primary government dealer by the Federal Reserve Bank.

Commercial banks, savings banks, and savings and loan associations must maintain a minimum net worth to asset ratio as provided by law (total regulatory net worth divided by total assets), and must have had positive net earnings for the last reporting period

The City is prohibited from selecting any broker/dealer that has made a campaign contribution within any consecutive 48-month period which exceeds the limitations

CITY OF INDUSTRY

STATEMENT OF INVESTMENT POLICY

contained Rule G-37 of the Municipal Securities Rulemaking Board.

8.0 Ethics and conflicts of interest. All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment recommendations and decisions. Investment officials and employees shall make all disclosures appropriate under the Fair Political Practices Act and may seek the advice of the City Attorney and the Fair Political Practices Commission whenever there is a question of personal financial or investment positions that could represent potential conflicts of interest.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.5



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

TO: Honorable Chairman Benavidez and Members of the Board

FROM: Joshua Nelson, Executive Director/CRIA Engineer *JN*

STAFF: Gerardo Perez, Sr. Construction Manager, CNC Engineering

DATE: August 11, 2021

SUBJECT: Consideration of Notice of Completion, for Contract No. CIP-IH-18-007-B Resurfacing Design – Expo Center Parking Lot, with Sialic Contractors Corporation, dba Shawnan

Background:

On July 10, 2019, the CRIA Board awarded Contract No. IH-18-007-B, Resurfacing Design – Expo Center Parking Lot to Sialic Contractors Corporation, dba Shawnan in the amount of \$3,912,421.00. The project improvements consisted of parking lot demolition, grading, curb replacement, ADA ramps, sidewalks, drainage improvements, sewer improvements, new pavement construction, striping, signage, and lighting.

Discussion:

On June 10, 2020, The CRIA Board approved the following change orders totaling \$193,539.49.

- **Change Order No. 1** – Costs in the amount of \$1,009.09 to install 90 feet of 1-1/2 inch conduit with special fittings to go around the splitter box and tie-in to the transformer.
- **Change Order No. 2** – Costs in the amount of \$7,400.00 to remove an existing fence with shrubbery.
- **Change Order No. 3** – Costs in the amount of \$53,631.00 to grind and pave Holguin Place.
- **Change Order No. 4** – Costs in the amount of \$38,040.00 to the existing asphalt pavement surface and overlay the area with asphalt pavement in the golf cart storage area.

- **Change Order No. 5** – Work was not performed. No costs are involved.
- **Change Order No. 6** – Costs in the amount of \$32,500.00 to lower approximately 800 lineal feet of sewer line to clear existing utilities.
- **Change Order No. 7** – Costs in the amount of \$27,750.00 to add 22 back water valves, add two additional concrete sewer and water aprons for the new RV stations. Installation of two additional sewer terminal cleanout and extension of sewer laterals will be paid under existing unit prices.
- **Change Order No. 8** – Costs in the amount of \$2,636.00 to reimburse the Contractor to repair an existing air conditioner line.
- **Change Order No. 9** – Costs in the amount of \$17,000.00 to construct two additional concrete wall enclosures required with the addition of two RV stations.
- **Change Order No. 10** – Costs in the amount of \$13,573.00 to add a streetlight at the southwest corner of the intersection of Expo Center Drive and Holguin Place.

On October 7, 2020, the CRIA Board approved Change Order No. 11 in the amount of **\$169,463.74**.

- **Change Order No. 11** – Costs in the amount of \$169,463.74 were approved for bid items in which quantities were extended due to site conditions such as removal and replacement of sidewalk, curb, and gutter, plan revisions and final field measurements.

On July 7, 2021, the CRIA Board approved the following change orders totaling \$128,893.26.

- **Change Order No. 12** – Costs in the amount of \$10,328.66 for various items of extra work; a) Removal existing chain link fence, b) Breakout concrete for existing storm drain and sewer manholes and c) Cut existing conduit to accommodate the new transformers.
- **Change Order No. 13** – Costs in the amount of \$118,564.60 for final field quantities which included a credit of \$268,492.00 for bid quantity underruns and an additional cost of \$387,056.60 for bid quantity over-runs.

Staff has determined that all project improvements have been completed including all parking lot demolition, grading, curb replacement, ADA ramps, sidewalks, drainage improvements, sewer improvements, new pavement construction, striping, signage, and lighting. CNC Engineering and Kleinfelder (geotechnical engineers) have inspected the site and find all work complete and in accordance with the contract documents.

Fiscal Impact:

Table 1 - Summary of Project Costs

Contract Amount	\$3,912,421.00
Change Order Nos. 1-10	\$193,539.49
Change Order No. 11	\$169,463.74
Change Order No. 12	\$10,328.66
Change Order No. 13	\$118,564.60
Revised Project Cost	\$4,404,317.49

The revised contract amount including Change Order No. 1 through 13 totals \$4,404,317.49. The following additional appropriations were approved by the Board to Account No. 121-713-5205) (CIP-IH-18-007-B/CIP-EXPO-18-007-B): June 10, 2020, \$193,539.49, October 7, 2020, \$169,463.74 and July 7, 2021, \$128,893.26, for a total of \$491,896.49. Therefore, no additional appropriations are required.

Recommendations:

- 1.) Accept the work performed by Sialic Contractors Corporation dba Shawnan for the amount of \$4,404,317.49;
- 2.) Authorize the CRIA Engineer or his designee to execute the Notice of Completion; and
- 3.) Authorize the City Clerk to file a Notice of Completion for Contract No. CIP-IH-18-007-B Resurfacing Design – Expo Center Parking Lot

Exhibit:

- A. Notice of Completion, dated August 11, 2021
-

JN/GP:as

EXHIBIT A

Notice of Completion dated August 11, 2021

[Attached]



CITY OF INDUSTRY

- Civic-Recreational-Industrial Authority
- City of Industry Waterworks System
- Industry Urban-Development Agency
- Parking Authority

15625 Mayor Dave Way, City of Industry, CA 91744

Notification of Construction Completion

Project: Resurfacing Design – Expo Center Parking Lot **Date:** 08/11/2021

Contract _____ **Contract No.:** CIP-EXPO-18-007-B

Contractor: Siliac Contractors Corporation, dba Shawnan,

As a result of an inspection conducted on 01/04/2021 the contractor's construction work has been completed in accordance with the contract documents, with the exception of the items noted below:

Acceptance of completed construction work shall not relieve the contractor from other requirements of the contract documents.

Accepted by Contractor	<u>SHAWN SMITH</u>	<u>[Signature]</u>	<u>PRESIDENT</u>	<u>7.15.21</u>
	Printed Name	Signature	Title	Date

Recommended by Project Manager	<u>Upendra Joshi</u>	<u>[Signature]</u>	<u>Project Engineer</u>	<u>07/22/2021</u>
	Printed Name	Signature	Title	Date

Recommended by Project Manager	<u>William Rojas</u>	<u>[Signature]</u>	<u>Sr. Construction Inspector</u>	<u>07/22/2021</u>
	Printed Name	Signature	Title	Date

Recommended by Project Manager	<u>Gerardo Perez</u>	<u>[Signature]</u>	<u>Sr. Construction Manager</u>	<u>7.22.21</u>
	Printed Name	Signature	Title	Date

Recommend by Public Agency	<u>Joshua Nelson</u>	<u>[Signature]</u>	<u>CRIA Engineer</u>	<u>7/23/2021</u>
	Printed Name	Signature	Title	Date

Approved by Public Agency	<u>Troy Helling</u>	<u>[Signature]</u>	<u>Executive Director</u>	<u>7/23/2021</u>
	Printed Name	Signature	Title	Date

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.6



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

TO: Honorable Chairman Benavidez and Members of the Board

FROM: Joshua Nelson, Executive Director *JN*

STAFF: James Cramsie, Director of Engineering, CNC Engineering
Tapas Dutta, Program Manager, CNC Engineering

DATE: August 11, 2021

SUBJECT: Consideration of Amendment No. 3 to the Professional Services Agreement with Melzer Deckert & Ruder Architects, Inc., for design services on the Pavilion Building Upgrades at the Industry Hills Expo Center, revising the scope of services and increasing compensation by \$9,335.00 (MP 01-34 #24)

Background:

On May 13, 2020, the CRIA Board approved a Professional Services Agreement with Melzer Deckert & Ruder Architects, Inc. ("MDR") in an amount not to exceed \$199,400.00, to provide architectural and engineering services to upgrade the Pavilion at the Industry Hills Expo Center. The Pavilion was constructed in 1994 as a barn-like environment with no mechanical HVAC system, insulation, or adequately sealed doors or windows. Although incremental improvements have been made over the years, the interior layout does not provide good flow or functionality for events. Storage is currently provided using only external containers. It is also necessary to make upgrades to the facility to comply with requirements under the ADA.

On November 10, 2020, the CRIA Board approved Amendment No. 1 to revise the scope of services and increase compensation by \$62,980.00. The additional scope included design of a permanent 200 square foot porch, a 650 square foot rear addition that would include food service equipment and the integration, and coordination of the new additions with the existing building architecture.

On July 7, 2021, the CRIA Board approved Amendment No. 2 to revise the scope of services and increase compensation by \$19,900.00. The additional scope included interior design, and upgrades to camera surveillance system.

Discussion:

The design for the improvements is currently on-going. Staff has asked MDR to provide coordination and design for upgrading the information technology ("IT") infrastructure at

the Pavilion. The additional scope includes relocating the IT equipment to a secure and separate room and re-routing the cabling for the new location. Amendment No. 3 is necessary to accommodate the additional scope of services relating to the IT infrastructure design and bid documents, along with a companion increase in compensation by \$9,335.00.

Fiscal Impact:

The fiscal impact for these services is \$9,335.00. The FY 2021-22 adopted Capital Improvement Project budget has allocated \$400,000.00 under Pavilion Building Upgrades (MP 01-34 #24) (Account No. 121-713-5130) and no further appropriation is required.

Recommendation:

It is recommended that the CRIA Board approve Amendment No. 3 to the Professional Services Agreement with MDR.

Exhibit:

- A. Amendment No. 3 to the Professional Services Agreement with Melzer Deckert Ruder Architects, Inc. dated August 11, 2021

JN/JC/TD:jf

EXHIBIT A

Amendment No. 3 to the Professional Services Agreement with Melzer Deckert
Ruder Architects, Inc. dated August 11, 2021

[Attached]

**AMENDMENT NO. 3
TO PROFESSIONAL SERVICES AGREEMENT WITH
MELZER DECKERT RUDER ARCHITECTS, INC.**

This Amendment No. 3 to the Professional Services Agreement (“Agreement”) is made and entered into this 11th day of August, 2021, (“Effective Date”) by and between the Civic Recreational Industrial Authority (“CRIA”), a public body, and Melzer Deckert & Ruder, Architects, Inc., a California corporation, (“Consultant”). CRIA and Consultant are hereinafter collectively referred to as the “Parties.”

RECITALS

WHEREAS, on or about May 13, 2020, CRIA approved a Professional Services Agreement (“Agreement”) for Pavilion building upgrades at the Expo Center; and

WHEREAS, on or about November 10, 2020, Amendment No. 1 was approved to amend the Scope of Services and increase compensation by \$62,980.00. It was also necessary for Consultant to comply with the provisions of Assembly Bill 5 (“AB 5”) concerning independent contractors, and language was included in the amendment to address AB 5; and

WHEREAS, on or about July 7, 2021, Amendment No. 2 was approved to amend the Scope of Services and increase compensation by \$19,900.00. It was also necessary to comply with best practices and revise the indemnity provisions specific to independent contractors, and update the address for CRIA; and

WHEREAS, it is necessary to amend the Agreement to permit Consultant to perform additional services relating to Information Technology (“IT”), and to allow for a companion increase in compensation by \$9,335.00, and

WHEREAS, for the reasons set forth herein, CRIA 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 for modifications made in Amendment 3, and as otherwise hereinafter provided:

4. PAYMENT

The second sentence of Section 4(a) is hereby revised to read in its entirety as follows:

The total contract amount shall not exceed Two Hundred Ninety One Thousand Six Hundred Fifteen Dollars (\$291,615.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

Exhibit A, Scope of Services is hereby revised to include the following services:

Cabling Design and Bid Documents

1. Design of Structure CAT6 cabling in building.
2. Extension of fiber cables.
3. Rack relocation to new IT room.
4. Prepare plans and specification for bidding.
5. One site visit to verify contractor's installation.

Architectural and Electrical Engineer Coordination

1. Coordinate drawings with new cabling and IT room.
2. Provide power as needed.
3. Integrate devices and include on drawings.

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

“CRIA”
Civic Recreational Industrial Authority

“CONSULTANT”
Melzer Deckert Ruder Architects, Inc.

By: _____
Eric Benavidez, Chairman

By: _____
Mark Melzer, AIA, LEED AP

Attest:

By: _____
Julie Gutierrez-Robles, Secretary

APPROVED AS TO FORM

By: _____
James M. Casso, General Counsel

EXHIBIT A TO AMENDMENT NO. 3
PROFESSIONAL SERVICES AGREEMENT WITH MELZER DECKERT RUDER
ARCHITECTS, INC. DATED MAY 13, 2020

CIVIC RECREATIONAL INDUSTRIAL AUTHORITY

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("Agreement"), is made and effective as of May 13, 2020 ("Effective Date"), between the Civic-Recreational-Industrial Authority ("CRIA") and Melzer Deckert & Ruder Architects, Inc., a California Corporation ("Consultant"). CRIA and Consultant are hereinafter collectively referred to as the "Parties".

RECITALS

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

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

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than December 31, 2021 unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

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

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

(c) Consultant shall perform all Services in a manner reasonably satisfactory to CRIA and in a first-class manner in conformance with the standards of quality normally observed by an entity providing architectural design services, serving a public agency.

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this

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

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

3. MANAGEMENT

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

4. PAYMENT

(a) CRIA agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed One Hundred Ninety-Nine Thousand Four Hundred Dollars (\$199,400.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

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

(c) Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as

practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If CRIA disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

5. SUSPENSION OR TERMINATION OF AGREEMENT

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

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

6. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by CRIA 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 CRIA or its designees at reasonable times to review such books and records; shall give CRIA the right to examine and audit said books and records; shall permit CRIA to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

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

Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of CRIA.

7. INDEMNIFICATION

(a) Indemnity for professional liability

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

(b) Indemnity for other than professional liability

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

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

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

8. INSURANCE

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

9. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to CRIA a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither CRIA 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 CRIA. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against CRIA, or bind CRIA in any manner.

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

10. LEGAL RESPONSIBILITIES

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

11. UNDUE INFLUENCE

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

12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

No member, officer, or employee of CRIA, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her

tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

13. 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 CRIA's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from CRIA, 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 CRIA, unless otherwise required by law or court order.

(b) Consultant shall promptly notify CRIA should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within CRIA, unless Consultant is prohibited by law from informing CRIA of such Discovery, court order or subpoena. CRIA retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless CRIA is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with CRIA and to provide the opportunity to review any response to discovery requests provided by Consultant. However, CRIA's right to review any such response does not imply or mean the right by CRIA to control, direct, or rewrite said response.

14. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To CRIA: Civic Recreational Industrial Authority
15625 E. Stafford
City of Industry, CA 91744
Attention: Troy Helling, Executive Director

With a Copy To: Casso & Sparks, LLP
13300 Crossroads Parkway North, Suite 410
City of Industry, CA 91746
Attention: James M. Casso, General Counsel

To Consultant:

Melzer Deckert & Ruder Architects, Inc.
9511 Irvine Center Drive
Irvine, CA 92618
Attention: Mark Melzer, AIA, LEED AP

15. ASSIGNMENT

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

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

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

16. GOVERNING LAW/ATTORNEYS' FEES

CRIA 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 municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

17. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is

entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

18. SEVERABILITY

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

19. COUNTERPARTS

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

20. CAPTIONS

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

21. WAIVER

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

22. REMEDIES

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

23. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the


Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

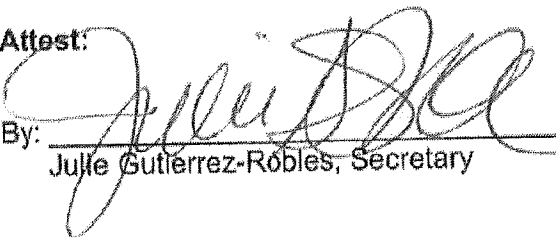
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

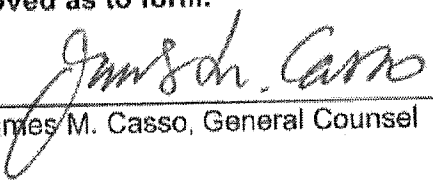
"CRIA"
Civic Recreational Industrial Authority

By: 
Troy Helling, Executive Director

"CONSULTANT"
Melzer Deckert & Ruder Associates, Inc.

By: 
Mark Melzer, AIA, LEED AP

Attest:

By: Julie Gutierrez-Robles, Secretary

Approved as to form:
By: 
James M. Casso, General Counsel

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

EXHIBIT A

SCOPE OF SERVICES

Consultant shall provide the following services for the design of the Pavilion Building Upgrades at the Industry Hills Expo Center:

Project and Design Approach

A Design Methodology

Consultant shall initially meet with CRIA Staff to understand the goals for the project and will visit the site to review existing conditions. Consultant shall provide design services to address the functional and operational use of the facility. Operational issues will be reviewed so that the facility has flexibility for various events. Consultant shall incorporate durable and cleanable materials suitable for long-term use in its design.

Budget: Consultant shall work closely with CRIA Staff and CRIA's project manager to determine the construction budget and control the design to meet the budget.

B. Key Design Elements

Consultant will seek to evaluate design elements as follows:

1. Functional and flexible building design.
2. Operational considerations for equipment and materials.
3. ADA accessibility access and compliance.
4. A design concept and imagery for both exterior and interior that is in harmony with the surrounding equestrian center, and one that evokes the character and identity of a banquet facility.

Time Schedule

A time schedule shall be prepared at the commencement of the project. For initial purposes, Consultant estimates the following:

Concept Design – 3 weeks
Schematic Design (with Basis of Design by Engineers) – 4 weeks
Design Development and Construction Documents – 10 weeks
Bidding – 4 weeks
Permit Approvals by Health Department and Building Department- 12-14 weeks

Items to be Furnished by CRIA

- A. As-built drawing of existing facility.
- B. Asbestos and hazardous materials report. (at existing facility adjacent to

- C. proposed facility)
Utility information.
- D. Quantitative programming and operational input by Client's designated personnel.

Work Product:

Consultant shall provide the following work product for the project:
Architectural and Engineering Construction Documents in pdf and AutoCAD formats for the improvements comprising of plans, specifications and estimates.

The exclusions to the Services are as follows:

1. Evaluation or performance of existing building envelope or Mechanical Electrical and Plumbing systems.
2. Exterior building façade (other than doors)
3. Site work and parking.
4. Grease Interceptor
5. Selection of interior furnishings and accessories (services may be provided upon request)

EXHIBIT B
RATE SCHEDULE

Hourly Rate Schedule

Title	Hourly Rate
Principal	\$195.00
Principal Designer	\$195.00
Project Architect	\$185.00
Designer	\$150.00
Technical	\$88.00
Secretarial	\$54.00

EXHIBIT C

INSURANCE REQUIREMENTS

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

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

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000.00 combined single limit for each accident.

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

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

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

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

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.1

Backup will be provided at Meeting

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.2



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

TO: Honorable Chairman and Board Members

STAFF: Yamini Pathak, Director of Finance
Dean Yamagata, Financial Consultant – Frazer, LLP

DATE: August 11, 2021

SUBJECT: Civic-Recreational-Industrial Authority May 31, 2021 Financial Report

Executive Summary:

The Expo Center operations have been shut down since March 2020 and operations have been severally limited and restricted. Our analysis will focus mainly on the control of expenditures and status of the capital projects to be completed during year ended 2021.

Expo Center:

For the month ended May 31, 2021, the Expo Center incurred a net loss before transfers of \$107,998.

For the year to date ended May 31, 2021, the Expo Center expenses amounted to \$1,283,373 which represents 65% of budgeted annual expenses of \$1,968,200. Transfers received by the Expo Center amounted to \$1,115,011 for the year to date ended May 31, 2021.

The expenses are in line with the budgeted amounts for the year ended June 30, 2021.

Capital Projects Fund:

Total budgeted expenditures for the year ended June 30, 2021 amount to \$1,156,600 which the Fund has incurred \$983,812 of year to date expenditures which represents 85% of annual budgeted expenditures. Year to date transfers from the City of Industry amounted to \$2,194,206, of which \$1,115,011 was transferred to the Expo Center.

Description of Reports:

The monthly financial statements, as shown in Exhibit A, are a comprehensive document reflecting the financial position and the result of operations of the Authority at May 31, 2021.

Fiscal Impact:

There is no fiscal impact as result of this action.

Recommendation:

Receive and file.

EXHIBIT A

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

FINANCIAL STATEMENTS

MAY 31, 2021

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

FINANCIAL STATEMENTS

May 31, 2021

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Note: The presentation of these financial statements do not conform with Governmental Accounting Standards Board statement number 34 – Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments and do not include all the disclosures required by this pronouncement.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
MAY 31, 2021

Expo Center Operations

During the month ended May 31, 2021, no events were held in The Pavilion, Avalon Room or Grand Arena due to events either being cancelled or rescheduled as a result of the COVID-19 pandemic.

At May 31, 2021 and 2020, our financial statements reflect the following activity:

<u>Expo Center Operations</u>	Month Ended 5/31/2021	Year To Date 5/31/2021	Annual Budget 2019-2020	% of Annual Budget	Month Ended 05/31/2020	Year To Date 05/31/2020
Total revenues	\$ 1,126	\$ 19,226	\$ 892,400	2%	\$ 1,506	\$ 1,293,402
Expenses:						
Direct Expo Center expenses	31,237	367,957	704,400	52%	37,689	1,133,253
General and administrative expenses	77,887	915,416	1,263,800	72%	77,792	1,068,420
Total direct Expo Center expenses	109,124	1,283,373	1,968,200	65%	115,481	2,201,673
Net loss from operations	(107,998)	(1,264,147)	(1,075,800)	118%	(113,975)	(908,271)
Net loss	\$ (107,998)	\$ (1,264,147)	\$ (1,075,800)	118%	\$ (113,975)	\$ (908,271)

Summarized financial information by department for the month ending May 31, 2021 and 2020:

<u>Expo Center Operations</u>	Month Ended 5/31/2021	Month Ended 5/31/2021	Month Ended 5/31/2021	Month Ended 5/31/2021	Month Ended 5/31/2021
	Speedway	Facilities	Grand Arena	General and Admin.	Totals
Total revenues	\$ -	\$ -	\$ 983	\$ 143	\$ 1,126
Expenses:					
Direct Expo Center expenses		15,681	15,556	-	31,237
General and administrative expenses	-	-	-	77,887	77,887
Total direct Expo Center expenses		15,681	15,556	77,887	109,124
Net (loss) income from operations	-	(15,681)	(14,573)	(77,744)	(107,998)
Net loss for the month ended	\$ -	\$ (15,681)	\$ (14,573)	\$ (77,744)	\$ (107,998)

<u>Expo Center Operations</u>	Month Ended 5/31/2020	Month Ended 5/31/2020	Month Ended 5/31/2020	Month Ended 5/31/2020	Month Ended 5/31/2020
	Speedway	Facilities	Grand Arena	General and Admin.	Totals
Total revenues	\$ -	\$ -	\$ 1,506	\$ -	\$ 1,506
Expenses:					
Direct Expo Center expenses	1,763	19,720	16,206	-	37,689
General and administrative expenses	-	-	-	77,792	77,792
Total direct Expo Center expenses	1,763	19,720	16,206	77,792	115,481
Net (loss) income from operations	(1,763)	(19,720)	(14,700)	(77,792)	(113,975)
Net (loss) income for the month ended	\$ (1,763)	\$ (19,720)	\$ (14,700)	\$ (77,792)	\$ (113,975)

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
MAY 31, 2021

Summarized financial information by department for the year to date period ending May 31, 2021 and 2020:

<u>Expo Center Operations</u>	Year To Date	Year To Date	Year To Date	Year To Date	Year To Date
	5/31/2021	5/31/2021	5/31/2021	5/31/2021	5/31/2021
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ -	\$ 975	\$ 13,123	\$ 5,128	\$ 19,226
Expenses:					
Direct Expo Center expenses	76	197,014	170,867	-	367,957
General and administrative expenses	-	-	-	915,416	915,416
Total direct Expo Center expenses	<u>76</u>	<u>197,014</u>	<u>170,867</u>	<u>915,416</u>	<u>1,283,373</u>
Net (loss) income from operations	<u>(76)</u>	<u>(196,039)</u>	<u>(157,744)</u>	<u>(910,288)</u>	<u>(1,264,147)</u>
Net loss year to date	\$ <u>(76)</u>	\$ <u>(196,039)</u>	\$ <u>(157,744)</u>	\$ <u>(910,288)</u>	\$ <u>(1,264,147)</u>
<u>Expo Center Operations</u>	Year To Date	Year To Date	Year To Date	Year To Date	Year To Date
	5/31/2020	5/31/2020	5/31/2020	5/31/2020	5/31/2020
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ 120,127	\$ 459,191	\$ 713,215	\$ 869	\$ 1,293,402
Expenses:					
Direct Expo Center expenses	150,562	429,091	553,600	-	1,133,253
General and administrative expenses	-	-	-	1,068,420	1,068,420
Total direct Expo Center expenses	<u>150,562</u>	<u>429,091</u>	<u>553,600</u>	<u>1,068,420</u>	<u>2,201,673</u>
Net (loss) income from operations	<u>(30,435)</u>	<u>30,100</u>	<u>159,615</u>	<u>(1,067,551)</u>	<u>(908,271)</u>
Net (loss) income year to date	\$ <u>(30,435)</u>	\$ <u>30,100</u>	\$ <u>159,615</u>	\$ <u>(1,067,551)</u>	\$ <u>(908,271)</u>

CRIA Capital Assets

In accordance with GASB 34, the Civic-Recreational-Industrial-Authority (referred to as "CRIA") is required to capitalize and depreciate their capital assets. The capital assets net of accumulated depreciation at May 31, 2021 amounted to \$5,115,836. This amount represents the cost of capital assets purchased or constructed over the years at the Industry Hills Expo Center and surrounding areas. No depreciation expense has been recorded in the statement of operations for the period ended May 31, 2021. It is the accounting policy of the CRIA to record annual depreciation expense subsequent to the completion of the June 30, 2021 annual audit.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
 FINANCIAL STATEMENTS
MAY 31, 2021

Capital Projects Operations

The capital projects fund reflects expenditures for capital improvements and operational costs. Operational costs include Board and staff salaries, professional services and miscellaneous items.

At May 31, 2021, our financial statements reflect the following activity:

<u>Capital Projects Fund</u>	<u>Month Ended</u> <u>5/31/2021</u>	<u>Year To Date</u> <u>5/31/2021</u>	<u>Annual Budget</u> <u>2020-2021</u>	<u>% of Annual</u> <u>Budget</u>
Total revenues	\$ <u>109</u>	\$ <u>440</u>	\$ <u>1,500</u>	29%
Expenditures				
General and administrative expenses	<u>177,026</u>	<u>983,812</u>	<u>1,156,600</u>	85%
Total expenses	<u>177,026</u>	<u>983,812</u>	<u>1,156,600</u>	85%
Excess of expenditures over revenues	\$ <u>(176,917)</u>	\$ <u>(983,372)</u>	\$ <u>(1,155,100)</u>	85%

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

BALANCE SHEET
AS OF MAY 31, 2021

	<u>Capital Projects</u>	<u>Expo Center</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 78,774	\$ 7,920
Investments	83,596	-
Due from other funds	-	-
Accounts receivable, net	-	(25)
Due from City of Industry	-	-
Prepaid insurance	-	9,758
Prepaid expenses	-	47,093
Inventories	-	27,387
Deposits	-	3,000
Total current assets	<u>162,370</u>	<u>95,133</u>
CAPITAL ASSETS, net	<u>-</u>	<u>5,115,836</u>
Total assets	<u>\$ 162,370</u>	<u>\$ 5,210,969</u>
LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES:		
Accounts payable	\$ -	\$ 16,048
Sales tax payable	-	25
Due to other funds	4,830	-
Advance rental payments	-	55,628
Security deposits	-	26,250
Total current liabilities	<u>4,830</u>	<u>97,951</u>
FUND BALANCE:		
Fund balance	<u>157,540</u>	<u>5,113,018</u>
Total liabilities and fund balance	<u>\$ 162,370</u>	<u>\$ 5,210,969</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

STATEMENT OF OPERATIONS
FOR THE MONTH AND YEAR TO DATE MAY 31, 2021

	CAPITAL PROJECTS				EXPO CENTER			
	MONTH ENDED 5/31/2021	YEAR TO DATE 5/31/2021	2020-2021 ANNUAL BUDGET	% OF ANNUAL BUDGET	MONTH ENDED 5/31/2021	YEAR TO DATE 5/31/2021	2020-2021 ANNUAL BUDGET	% OF ANNUAL BUDGET
REVENUES:								
Expo center revenues	\$ -	\$ -	\$ -	0%	\$ 1,126	\$ 19,226	\$ 892,400	2%
Other revenues	109	440	1,500	29%	-	-	-	0%
Total revenues	<u>109</u>	<u>440</u>	<u>1,500</u>	29%	<u>1,126</u>	<u>19,226</u>	<u>892,400</u>	2%
EXPENDITURES:								
Operating expenses	-	-	-		31,237	367,957	704,400	52%
General and administrative expenses	177,026	983,812	1,156,600	85%	77,887	915,416	1,263,800	72%
Total expenses	<u>177,026</u>	<u>983,812</u>	<u>1,156,600</u>	85%	<u>109,124</u>	<u>1,283,373</u>	<u>1,968,200</u>	65%
EXCESS OF EXPENDITURES OVER REVENUES	(176,917)	(983,372)	(1,155,100)	85%	(107,998)	(1,264,147)	(1,075,800)	118%
OTHER FINANCING SOURCES, NET	<u>145,000</u>	<u>1,079,195</u>	<u>-</u>	0%	<u>155,000</u>	<u>1,115,011</u>	<u>-</u>	0%
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES/(EXCESS OF EXPENDITURES OVER REVENUE AND OTHER FINANCING SOURCES)	(31,917)	95,823	<u>\$(1,155,100)</u>		47,002	(149,136)	<u>\$(1,075,800)</u>	
Fund balance, beginning	<u>189,457</u>	<u>61,717</u>			<u>5,066,016</u>	<u>5,262,154</u>		
Fund balance, ending	<u>\$ 157,540</u>	<u>\$ 157,540</u>			<u>\$ 5,113,018</u>	<u>\$ 5,113,018</u>		

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

INDUSTRY HILLS EXPO CENTER
 STATEMENT OF CASH FLOWS
FOR THE ELEVEN MONTHS ENDED MAY 31, 2021

	<u>AMOUNT</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss before transfers and other credits	\$ (1,264,147)
Adjustments to reconcile net loss to net cash used in operating activities:	
Change in operating assets and liabilities:	
Accounts receivable, net	6,446
Due from other funds	222,000
Prepaid insurance	(1,064)
Prepaid expenses	(47,093)
Inventories	11,029
Accounts payable	(10,109)
Sales tax payable	25
Advance rental payments	(41,396)
Security deposits	(17,450)
Net cash used in operating activities	<u>(1,141,759)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Other financing sources	<u>1,115,011</u>
NET CHANGE IN CASH	(26,748)
Cash at June 30, 2020	34,668
Cash at May 31, 2021	<u>\$ 7,920</u>

**INDUSTRY HILLS EXPO CENTER
SCHEDULE OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE MAY 31, 2021 AND 2020**

<u>Expo Center Operations</u>	MONTH ENDED 5/31/2021	YEAR TO DATE 5/31/2021	ANNUAL BUDGET 2020-2021	% OF ANNUAL BUDGET	MONTH ENDED 05/31/2020	YEAR TO DATE 05/31/2020
Revenues						
Facilities rentals	\$ -	\$ 975	\$ 118,000	1%	\$ -	\$ 200,373
Facilities rentals - bar sales	-	-	107,800	0%	-	200,147
Facilities - security	-	-	24,400	0%	-	38,260
Facilities - food	-	-	5,700	0%	-	5,536
Facilities - insurance	-	-	-	0%	-	10,300
Facilities - other	-	-	-	0%	-	4,575
Grand Arena - special events rentals	-	-	79,000	0%	1	119,463
Grand Arena - outdoor arena rentals	-	-	3,800	0%	-	3,500
Grand Arena - show barn stall rentals	720	11,154	21,000	53%	1,120	23,654
Grand Arena - shaving sales	263	1,083	5,200	21%	-	6,639
Grand Arena - security	-	-	44,800	0%	-	82,111
Grand Arena - trailer parking	-	-	7,200	0%	-	9,970
Grand Arena - bar sales	-	886	134,200	1%	27	277,570
Grand Arena - food	-	-	51,600	0%	358	44,384
Grand Arena - feed sales	-	-	100	0%	-	55
Grand Arena - parking	-	-	65,100	0%	-	92,593
Grand Arena - other	-	-	33,500	0%	-	53,276
Speedway - Merchandise	-	-	7,500	0%	-	5,054
Speedway - Bar	-	-	33,700	0%	-	26,340
Speedway - Prize Money	-	-	30,200	0%	-	16,395
Speedway - General Admission	-	-	51,400	0%	-	37,620
Speedway - Concessions	-	-	28,400	0%	-	23,426
Speedway - Parking	-	-	12,900	0%	-	9,625
Speedway - Other	-	-	25,100	0%	-	1,667
G&A- Other	143	5,128	1,800	285%	-	869
Total revenues	<u>1,126</u>	<u>19,226</u>	<u>892,400</u>	2%	<u>1,506</u>	<u>1,293,402</u>
Expo expenses						
Cost of sales	3,423	12,498	78,200	16%	702	140,252
Bar supplies	-	-	200	0%	-	4,952
Promotional banquet	-	-	3,400	0%	-	2,088
Feed	265	265	100	265%	-	140
Contract labor/wages	25,462	321,290	259,000	124%	32,067	602,823
Furniture/fixtures & equipment	-	-	13,600	0%	-	5,626
Facilities - insurance	-	400	800	50%	-	9,800
Miscellaneous	-	-	2,500	0%	-	3,259
Promotional	-	-	10,500	0%	-	6,269
Property maintenance	-	1,866	36,400	5%	-	29,150
Repairs and maintenance	-	-	1,100	0%	-	5,064
Sales tax	-	1	-	0%	-	(64)
Security - Grand Arena	-	-	40,100	0%	-	62,635
Security - Facilities	-	-	26,800	0%	-	47,991
Security - Speedway	-	-	13,000	0%	-	11,190
Shavings	518	519	2,400	22%	-	6,266
Supplies	1,569	24,701	34,900	71%	2,408	51,185
Equipment rental	-	1,337	11,700	11%	-	1,752
Special event concessions	-	-	23,300	0%	-	16,156
Bad debt	-	5,004	8,400	60%	750	12,750
Speedway- Concessions	-	-	12,700	0%	-	9,336
Speedway- Merchandise	-	-	5,100	0%	-	-
Speedway- Insurance	-	76	9,500	1%	1,008	12,432
Speedway - Prize money	-	-	45,300	0%	-	30,706
Speedway- Outside services/contract labor	-	-	65,400	0%	754	61,495
Total Expo expenses	<u>31,237</u>	<u>367,957</u>	<u>704,400</u>	52%	<u>37,689</u>	<u>1,133,253</u>
Operating income before direct G & A and CRIA indirect expenses	<u>(30,111)</u>	<u>(348,731)</u>	<u>188,000</u>	-185%	<u>(36,183)</u>	<u>160,149</u>

INDUSTRY HILLS EXPO CENTER
SCHEDULE OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE MAY 31, 2021 AND 2020

<u>Expo Center Operations</u>	<u>MONTH ENDED</u> <u>5/31/2021</u>	<u>YEAR TO DATE</u> <u>5/31/2021</u>	<u>ANNUAL</u> <u>BUDGET</u> <u>2020-2021</u>	<u>% OF</u> <u>ANNUAL</u> <u>BUDGET</u>	<u>MONTH ENDED</u> <u>05/31/2020</u>	<u>YEAR TO DATE</u> <u>05/31/2020</u>
Direct general and administrative expenses						
Travel and meetings	-	-	1,500	0%	-	1,634
Dues, subscriptions, books, etc.	1,387	14,842	12,800	116%	2,029	14,840
Equipment rental/lease	992	12,367	5,000	247%	708	10,707
Employee training	-	-	800	0%	-	747
Furniture/fixtures & equipment	-	146	1,000	15%	-	1,252
Advertising/printing	-	-	100	0%	-	2,423
Telephone	1,439	14,938	17,500	85%	1,274	14,335
Postage	-	170	6,500	3%	259	4,647
Miscellaneous	516	6,062	26,000	23%	217	16,520
Professional services	17,183	188,607	322,500	58%	16,220	240,248
Repairs and equipment	-	583	3,100	19%	-	2,776
Vehicle expenses	-	7,256	68,800	11%	-	54,617
Insurance and bonds	1,084	10,862	11,700	93%	1,086	11,323
Supplies	1,576	22,467	52,500	43%	1,711	41,851
Contract labor/administrative wages	31,278	364,482	428,400	85%	33,709	394,334
Property maintenance	15,771	181,363	135,400	134%	14,272	126,434
Utilities	6,661	91,271	170,200	54%	6,307	129,732
Total direct general and administrative expenses	<u>77,887</u>	<u>915,416</u>	<u>1,263,800</u>	72%	<u>77,792</u>	<u>1,068,420</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>\$ (107,998)</u>	<u>\$ (1,264,147)</u>	<u>\$ (1,075,800)</u>	118%	<u>\$ (113,975)</u>	<u>\$ (908,271)</u>

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE MONTH AND YEAR TO DATE MAY 31, 2021

REVENUES:	MONTH ENDED 5/31/2021	YEAR TO DATE 5/31/2021	ANNUAL BUDGET 2020-2021	% OF ANNUAL BUDGET
Other revenues	\$ 109	\$ 440	\$ 1,500	29%
GENERAL AND ADMINISTRATIVE EXPENSES:				
Salaries - board	2,836	31,196	38,000	82%
Medicare/disability	41	452	600	75%
PARS - ARS	106	1,170	1,400	84%
Legal	-	-	10,000	0%
Professional services	8,933	102,317	165,200	62%
Accounting	102	780	1,000	78%
Vehicle expenses	340	2,442	2,800	87%
General engineering	12,094	53,424	51,400	104%
Printing/photography	-	43	-	0%
Security	79,172	412,039	439,100	94%
Property maintenance	70,540	365,433	368,800	99%
Insurance and bonds	-	-	26,000	0%
Office expenses	-	-	500	0%
Utilities	2,862	14,516	51,800	28%
Total general and administrative expenses	<u>177,026</u>	<u>983,812</u>	<u>1,156,600</u>	85%
EXCESS OF EXPENDITURES OVER REVENUES	<u>\$ (176,917)</u>	<u>\$ (983,372)</u>	<u>\$ (1,155,100)</u>	85%

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.3



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

TO: Honorable Chairman Benavidez and Members of the Board

FROM: Joshua Nelson, Executive Director *gn*

STAFF: James Cramsie, Director of Engineering, CNC Engineering
Tapas Dutta, Sr. Project Manager, CNC Engineering

DATE: August 11, 2021

SUBJECT: Consideration of a Professional Services Agreement with Environs, Inc. to provide on-call landscape architecture services in an amount not to exceed \$100,000.00 through August 12, 2024

Background:

Several projects in the Capital Improvement Project budget require landscape architecture and irrigation plans, including the new Banquet Facility and the Gazebo at Pavilion building. Additionally, as landscape and irrigation maintenance issues arise, a professional landscape architect's input may be required. Currently, there are no landscape and irrigation design consultants with contracts.

Discussion:

Environs has been providing landscape architecture services on City of Industry projects for over eight years. Staff recommends approving a Professional Services Agreement ("Agreement") with Environs to provide all aspects of design services, including developing and completing plans, specifications, estimates and reports, for the construction of landscaping improvements at various locations within the Industry Hills Expo Center. Environs will also perform landscape architecture services on an as-needed basis, peer review landscape and irrigation plans submitted by others, and provide expert opinions on any maintenance issues. Staff is recommending the Board approve the Agreement with Environs for a three-year term in an amount not to exceed \$100,000.00 for on-call landscape services.

Fiscal Impact:

The fiscal impact is \$100,000.00 over three years. In the Fiscal Year 2021-2022 adopted budget, \$175,000.00 is approved for this work (Account No. 360-800-5120.01).

Recommendation:

It is hereby recommended that the Board approve the Professional Services Agreement with Environs, Inc.

Exhibit:

- A. Professional Services Agreement with Environs, Inc. dated August 11, 2021
-

JN/SC:jf

EXHIBIT A

Professional Services Agreement with Environs, Inc. dated August 11, 2021

[Attached]

CIVIC-RECRECREATIONAL-INDUSTRIAL AUTHORITY

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”), is made and effective as of August 11, 2021 (“Effective Date”), between the CIVIC-RECRECREATIONAL-INDUSTRIAL AUTHORITY (“CRIA”), a public body, and Environs, Inc., a California corporation (“Consultant”). CRIA and Consultant are hereinafter collectively referred to as the “Parties”.

RECITALS

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

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

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than August 12, 2024, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

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

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

(c) Consultant shall perform all Services in a manner reasonably satisfactory to CRIA and in a first-class manner in conformance with the standards of quality normally observed by an entity providing landscape architecture services on an as-needed basis serving a public body.

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, the conflict of interest provisions of Government Code Section 1090 and the

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

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

3. MANAGEMENT

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

4. PAYMENT

(a) CRIA agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed One Hundred Thousand Dollars (\$100,000.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

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

(c) Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If CRIA disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

5. SUSPENSION OR TERMINATION OF AGREEMENT

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

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

6. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by CRIA 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 CRIA or its designees at reasonable times to review such books and records; shall give CRIA the right to examine and audit said books and records; shall permit CRIA to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

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

copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the services under this Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of CRIA.

7. INDEMNIFICATION

(a) Indemnity for professional liability

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

(b) Indemnity for other than professional liability

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

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

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

8. INSURANCE

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

9. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to CRIA a wholly independent Consultant and/or independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither CRIA 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 CRIA. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against CRIA, or bind CRIA in any manner.

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

(c) Consultant shall indemnify, defend and hold harmless, the City, its elected officials, officers, employees and agents, from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including contributions to any retirement and/or pension plan, legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, Consultant's or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant, service as an independent contractor. The indemnity provisions set forth in this Section 9 (c) shall survive the termination of this Agreement, and are in addition to any other rights or remedies the City may have under the law.

10. LEGAL RESPONSIBILITIES

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

11. UNDUE INFLUENCE

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

12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

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

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

14. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which

provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To CRIA: CRIA
15625 Mayor Dave Way
City of Industry, CA 91744
Attention: Executive Director

With a Copy To: James M. Casso, General Counsel
Casso & Sparks, LLP
13300 Crossroads Parkway North, Suite 410
City of Industry, CA 91746

To Consultant: Environs, Inc.
801 El Berro
San Clemente, CA 92672
Attention: Brett French, President

15. ASSIGNMENT

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

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

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

16. GOVERNING LAW/ATTORNEYS' FEES

CRIA 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 municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the

provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and Consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

17. ENTIRE AGREEMENT

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

18. SEVERABILITY

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

19. COUNTERPARTS

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

20. CAPTIONS

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

21. WAIVER

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

22. REMEDIES

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

23. AUTHORITY TO EXECUTE THIS AGREEMENT

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

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

“CRIA”
Civic-Recreational-Industrial Authority

“CONSULTANT”
Environs, Inc.

By: _____
Joshua Nelson, Executive Director

By _____
Brett French, President

Attest:

By: _____
Julie Gutierrez-Robles, Secretary

Approved as to form:

By: _____
James M. Casso, General Counsel

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

EXHIBIT A

SCOPE OF SERVICES

Consultant shall provide the following on-call landscape architecture and irrigation design services as directed by CRIA:

- Development of landscape, planting, and irrigation plans, specifications, and engineer's estimates for CRIA Expo projects, as needed, in accordance with the City of Industry's policies and the Standard Specifications for Public Works Construction, as amended by the "Graybook" and all other applicable governing agencies for each specific project.
- Assist CRIA in developing bid and contract documents related to landscape, planting and irrigation services for public works bidding, review contractor bids, and provide a recommendation as to the award of the project.
- Attend various project meetings with the design team, contractor, CRIA, and outside agencies, as needed.
- Develop plans, specifications, and schedules necessary for the orderly implementation and construction of multiple phases of construction work.
- Utilize electronic information control system for use by the design consultants and CRIA.
- Minimize construction claims prevention as part of design.
- Coordinate and assist CRIA in obtaining pertinent permits.
- Respond to submittals and shop drawings as required.
- Assist CRIA in responding to public inquiries or concerns regarding the design.
- Prepare quantity calculations for projects, as directed.
- Assist CRIA with interpreting contract documents and assist in resolving disputes or uncertainties related to landscape and irrigation design and construction.
- Review, track, process shop drawings, submittals, RFIs, RFCs, RFQs, etc., as needed by CRIA, and recommend approval.
- Conduct site visits through various stages of construction to inspect progress and perform pertinent tests.
- Complete final as-built construction drawings to be submitted and archived as the final record drawings, both hard copy and electronic.
- Implement and execute an extensive Quality Assurance/Quality Control program and correct overlooked material at consultant's sole expense at no additional cost to CRIA.
- Review of landscape and irrigation plans, specification and estimates submitted by others.

- Provide solutions and recommendations to landscape and irrigation maintenance issues throughout the Expo Center, including any plans, if necessary.
- All developed material shall be the property of CRIA, including electronic data compiled.

EXHIBIT B
RATE SCHEDULE

<u>Service/Personnel</u>	<u>Rate (Per Hour)</u>
Landscape Architect	\$150.00
Landscape Design	\$115.00
Draftsman	\$105.00
Administrative	\$75.00
Meetings/Inspections – 2 hour minimum	\$150.00

Additional reimbursable expenses are to be billed at cost and include, but are not limited to, reproduction, plotting, postage, and handling of documents at cost.

EXHIBIT C

INSURANCE REQUIREMENTS

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

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

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000.00 combined single limit for each accident.

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

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

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

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

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

arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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