



Chino Hills · Diamond Bar · Industry

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

**MAY 11, 2022 AGENDA  
6:00 p.m.**

**CITY OF DIAMOND BAR  
21810 COPLEY DR.  
DIAMOND BAR, CALIFORNIA**

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

***Addressing the Authority:***

***NOTICE OF TELEPHONIC MEETING:***

*Consistent with State Assembly Bill 361, the Tres Hermanos Conservation Authority shall be held telephonically and in person in the Windmill Room, City of Diamond Bar City Hall. Directors and limited staff will be physically present for this meeting. If you would like to attend the meeting in person, please note that face coverings are recommended.*

***How to Observe the Meeting:***

*Members of the public who wish to listen ONLY may join the meeting by calling the following conference call number: +1 (914) 614-3221 and entering the Access Code: 833-139-120.*

***How to Submit Public Comment:***

*Members of the public may provide public comment by sending written comments to the Authority Clerk by email at [cityclerk@DiamondBarCA.gov](mailto:cityclerk@DiamondBarCA.gov) by 4:00 p.m. on the day of the meeting. Please indicate in the Subject Line "FOR PUBLIC COMMENT." Written comments will be distributed to the Authority Directors and noted for the record at the meeting.*

*Alternatively, public comment may be submitted by joining the meeting in person or logging onto the meeting through this link: <https://attendee.gotowebinar.com/register/4761613647799536909> Members of the public will be called upon one at a time during the Public Comment portion of the agenda, and will be asked to state their name and agenda item they wish to comment on.*

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Copies of staff reports or other written documentation relating to agenda items are on file in the Office of the City Clerk at Diamond Bar City Hall, and are available for public inspection. If requested, the agenda will be made available in an alternative format to a person with disability as required by Section 202 of the Americans with Disabilities Act of 1990. If you have questions regarding an agenda item, please contact the Authority Secretary at (909) 839-7010 during regular business hours.

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

**1. CALL TO ORDER****PLEDGE OF ALLEGIANCE****ROLL CALL**

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

**3. CONSENT CALENDAR:**

- 3.1 Minutes of the March 16, 2022 Regular Meeting and April 13, 2022 Special Meeting.

**Recommendation:**

Approve the March 16, 2022 Regular and April 13, 2022 Special Tres Hermanos Conservation Authority meeting minutes.

- 3.2 Payment Registers

**Recommendation:**

That the Authority receive and file the payment registers for the months ended February 28, 2022 and March 31, 2022.

- 3.3 Treasurer's Report for the Months Ended February 28, 2022 and March 31, 2022.

**Recommendation:**

That the Authority receive and file the Treasurer's Reports for the months ended February 28, 2022 and March 31, 2022.

- 3.4 Continued Use of Teleconferencing in Accordance with Assembly Bill 361 For Meetings of the Tres Hermanos Conservation Authority.

**Recommendation:**

Adopt Resolution No. THCA 2022-09 entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN

## MEETING LAWS.

## 3.5 Appointment of Certified Public Accountants.

**Recommendation:**

That the Authority appoint Lance, Soll & Lunghard, LLP, as the certified public accountants to provide financial auditing services for the Fiscal Year 2021-22 audit.

**4. OLD BUSINESS:**

There is none.

**5. NEW BUSINESS:**

5.1 Consideration of a Lease Agreement for Equine Grazing by and between the Tres Hermanos Conservation Authority and Red Bucket Equine Rescue for that portion of Tres Hermanos Ranch generally located east of Chino Hills Parkway and south of Chino Avenue (a portion of APN 8701-021-905).

**Recommendation:**

That the Board of Directors:

- A. Determine that approval of the Lease Agreement is exempt from the California Environmental Quality Act pursuant to Section 15301 (Class 1) of the CEQA Guidelines, and direct staff to file a Notice of Exemption with the County of Los Angeles Clerk;
- B. Approve a Lease Agreement with Red Bucket Equine Rescue for that portion of Tres Hermanos Ranch, generally located east of Chino Hills Parkway and south of Chino Avenue (a portion of APN 8701-021-905), in a form approved by Authority General Counsel; and
- C. Authorize the Executive Director to execute all documents, related thereto.

**6. AUTHORITY STAFF AND AUTHORITY DIRECTOR COMMENTS:**

**7. ADJOURNMENT:** The next regular Tres Hermanos Conservation Authority meeting will be Wednesday, June 8, 2022 at 6:00 p.m.

*TRES HERMANOS CONSERVATION AUTHORITY*

ITEM NO. 3.1



Chino Hills · Diamond Bar · Industry

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**Date:** May 11, 2022  
**To:** Chair and Board of Directors  
**From:** Daniel Fox, Executive Director  
**Subject:** Minutes of the March 16, 2022 Regular Meeting and April 13, 2022 Special Meeting.

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**Recommendation:**

Approve the March 16, 2022 Regular and April 13, 2022 Special Tres Hermanos Conservation Authority meeting minutes.

**Background/Analysis:**

Attached for Board review and approval are the minutes of the March 16, 2022 and April 13, 2022 Tres Hermanos Conservation Authority meetings.

**Respectfully Submitted,**

**Reviewed By,**

*Kristina Santana*

Kristina Santana, City Clerk

5/4/2022

*Daniel Fox*

Daniel Fox, City Manager

5/4/2022

Attachments:

1. March 16, 2022 Regular Tres Hermanos Conservation Authority Meeting Minutes
2. April 13, 2022 Special Tres Hermanos Conservation Authority Meeting Minutes

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

The Regular Meeting of the Tres Hermanos Conservation Authority was called to order by Chair Marcucci at 6:00 p.m.

Chair Marcucci announced that consistent with Assembly Bill 361, the Tres Hermanos Conservation Authority was being held telephonically and in person with limited staff physically present for the meeting. Those attending in person were advised that face coverings were recommended.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Chair/ Marcucci.

**ROLL CALL**

Directors in attendance:	Director Ray Marquez Director Cory Moss (telephonically) Director Peter Rogers (telephonically) Director Newell Ruggles (telephonically) Director Steve Director Tye Chair Cathy Marcucci
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Absent:	Vice-Chair Nancy Lyons
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Staff in attendance: Dan Fox, Executive Director; Ben Montgomery; Deputy Executive Director; Josh Nelson; Administrative Director; Tracy Egoscue, Authority Counsel; Christa Buhagiar, Treasurer; Sam Pedroza, City of Industry Assistant City Manager/Public Affairs Manager; Kristina Santana, Authority Secretary

**2. PUBLIC COMMENTS:**

CC/Santana acknowledged receipt of an email from Dan Swensen, with copies forwarded to directors and posted for public viewing at the Windmill meeting room entrance.

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**3. CONSENT CALENDAR:**

**3.1 MINUTES OF THE FEBRUARY 16, 2022 REGULAR MEETING.**

*RECOMMENDED ACTION: Approve as submitted.*

**3.2 PAYMENT REGISTER.**

*RECOMMENDED ACTION: Receive and file Payment Register for the month ended January 31, 2022.*

**3.3 TREASURER'S REPORT FOR THE MONTH ENDED DECEMBER 31, 2021.**

*RECOMMENDED ACTION: Receive and file the Treasurer's Report for the month ended January 31, 2022.*

**3.4 CONTINUED USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE TRES HERMANOS CONSERVATION AUTHORITY.**

*RECOMMENDED ACTION: ADOPT RESOLUTION NO. THCA 2022-04 ENTITLED: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE CONTINUED USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.*

**3.5 STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2022-23.**

*RECOMMENDED ACTION: ADOPT A RESOLUTION NO. THCA 2022-05 ENTITLED: "A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, ADOPTING THE STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2022-23.*

MOTION BY DIRECTOR ROGERS AND SECOND BY DIRECTOR MOSS TO APPROVE THE CONSENT CALENDAR AS PRESENTED. MOTION CARRIED 6-0 BY THE FOLLOWING VOTE:

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AYES: DIRECTORS: MARQUEZ, MOSS, ROGERS, RUGGLES,  
 TYE, CHAIR MARCUCCI  
 NOES: DIRECTORS: NONE  
 ABSENT: DIRECTORS: VICE-CHAIR LYONS

**4. OLD BUSINESS:**

There was none.

**5. NEW BUSINESS:**

**5.1 PROPOSED BUDGET FOR FISCAL YEAR 2022-23:**

Treasurer Buhagiar provided the staff report.

*RECOMMENDED ACTION: ADOPT RESOLUTION NO. THCA 2022-06 ENTITLED: "A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, ADOPTING A BUDGET FOR FISCAL YEAR 2022-23.*

MOTION BY DIRECTOR MOSS AND SECOND DIRECTOR MARQUEZ TO ADOPT RESOLUTION NO. THCA 2022-06 ENTITLED "A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, ADOPTING A BUDGET FOR FISCAL YEAR 2022-23. MOTION CARRIED 6-0 BY THE FOLLOWING VOTE:

AYES: DIRECTORS: MARQUEZ, MOSS, ROGERS, RUGGLES,  
 TYE, CHAIR MARCUCCI  
 NOES: DIRECTORS: NONE  
 ABSENT: DIRECTORS: VICE-CHAIR LYONS

**5.2 PREVIEW OF THE TRES HERMANOS CONSERVATION AUTHORITY WEBSITE.**

ED/Fox provided the staff report and preview of the new website.

*RECOMMENDED ACTION: RECEIVE PRESENTATION AND PROVIDE COMMENTS AS DEEMED APPROPRIATE.*

Directors provided positive comments and agreed to provide further feedback individually and directly to staff.



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James Gallagher suggested incorporation of the new logo, links to friendly and supportive partner organizations and promotion of a photo contest.

Greg Frichtell said he agreed with Mr. Gallagher and suggested a larger logo be placed at or near the top of the home page.

**6. AUTHORITY STAFF AND AUTHORITY DIRECTOR COMMENTS:**

ED/Fox suggested scheduling an Authority Special Meeting on April 13<sup>th</sup> at 1:30 p.m. to consider continuation of the AB 361 teleconferencing options.

Director Tye was pleased for the progress on pending items including the website.

Director Marquez thanked staff for great work on the website. With redistricting comes new elected officials at various levels of government and he would like to invite those individuals and LA and San Bernardino County Supervisors to tour the facility and looks forward to scheduling an open house for city commissioners.

Chair Marcucci wished everyone a Happy St. Patrick's Day.

- 7. ADJOURNMENT:** There being no further business, Chair Marcucci adjourned the Tres Hermanos Conservation Authority Regular Meeting at 6:26 p.m. to Wednesday, April 20, 2022 at 6:00 p.m.

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CATHY MARCUCCI  
CHAIR

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KRISTINA SANTANA  
AUTHORITY SECRETARY

TRES HERMANOS CONSERVATION AUTHORITY  
SPECIAL BOARD OF DIRECTORS MEETING MINUTES  
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**1. CALL TO ORDER**

The Regular Meeting of the Tres Hermanos Conservation Authority was called to order by Chair Marcucci at 1:30 p.m.

Chair Marcucci announced that consistent with Assembly Bill 361, the Tres Hermanos Conservation Authority was being held telephonically.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Chair/ Marcucci.

**ROLL CALL**

Directors in attendance telephonically: Director Ray Marquez  
Director Cory Moss  
Director Peter Rogers  
Director Steve Tye  
Vice-Chair Nancy Lyons  
Chair Cathy Marcucci

Absent: Director Newell Ruggles

Staff in attendance telephonically: Dan Fox, Executive Director; Ben Montgomery; Deputy Executive Director; Tracy Egoscue, Authority Counsel; Kristina Santana, Authority Secretary

**2. PUBLIC COMMENTS:** There were none.

**3. CONSENT CALENDAR:**

**3.1 CONTINUED USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE TRES HERMANOS CONSERVATION AUTHORITY.**

*RECOMMENDED ACTION: ADOPT RESOLUTION NO. THCA 2022-07 ENTITLED: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN*

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*ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE  
AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.*

MOTION BY DIRECTOR MOSS AND SECOND BY DIRECTOR MARQUEZ TO APPROVE THE CONSENT CALENDAR AS PRESENTED. MOTION CARRIED 6-0 BY THE FOLLOWING VOTE:

AYES:	DIRECTORS:	MARQUEZ, MOSS, ROGERS, TYE, VICE- CHAIR LYONS, CHAIR MARCUCCI
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	RUGGLES

**4. OLD BUSINESS:**

There was none.

**5. NEW BUSINESS:**

**5.1 MODIFICATION TO REGULAR MEETING TIMES:**

ED/Fox presented the staff report.

*RECOMMENDED ACTION: THAT THE BOARD OF DIRECTORS  
ADOPT RESOLUTION NO. THCA 2022-08 ESTABLISHING REGULAR  
MEETING TIMES AS THE SECOND WEDNESDAY OF THE MONTH AT  
6:00 P.M. AT CITY OF DIAMOND BAR CITY HALL.*

MOTION BY MARQUEZ AND SECOND BY MOSS TO ADOPT RESOLUTION NO. THCA 2022-08 ESTABLISHING REGULAR MEETING TIMES AS THE SECOND WEDNESDAY OF THE MONTH AT 6:00 P.M. AT CITY OF DIAMOND BAR CITY HALL. MOTION CARRIED 6-0 BY THE FOLLOWING VOTE:

AYES:	DIRECTORS:	MARQUEZ, MOSS, ROGERS, TYE, VICE- CHAIR LYONS, CHAIR MARCUCCI
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	RUGGLES

**6. AUTHORITY STAFF AND AUTHORITY DIRECTOR COMMENTS:** There were none.

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7. **ADJOURNMENT:** There being no further business, Chair Marcucci adjourned the Tres Hermanos Conservation Authority Special Meeting at 1:35 p.m. to Wednesday, May 11, 2022 at 6:00 p.m.

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CATHY MARCUCCI  
CHAIR

\_\_\_\_\_  
KRISTINA SANTANA  
AUTHORITY SECRETARY

*TRES HERMANOS CONSERVATION AUTHORITY*

ITEM NO. 3.2



Chino Hills · Diamond Bar · Industry

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**Date:** May 11, 2022  
**To:** Chair and Board of Directors  
**From:** Daniel Fox, Executive Director  
**Subject:** Payment Registers

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**Recommendation:**

That the Authority receive and file the payment registers for the months ended February 28, 2022 and March 31, 2022.

**Background/Analysis:**

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

Attached for your review is the payment registers for the months ended February 28, 2022 and March 31, 2022. These payments may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.

**Respectfully Submitted,**

**Reviewed By,**

*Christina Buhagiar*

Christina Buhagiar, Treasurer

4/13/2022

*Daniel Fox*

Daniel Fox, City Manager

5/4/2022

Attachments:

1. THCA Payment Register - February 2022
2. THCA Payment Register - March 2022

# Tres Hermanos Conservation Authority

## Payment Register

From 2/1/2022 to 2/28/2022

#	DATE	VENDOR NAME	CONTRACT/ PO#	DESCRIPTION	RETENTION	INVOICE AMT
5067	2/2/2022	CITY OF CHINO HILLS		CH/WATER 12/13/21-01/12/22		\$251.16
					<b>TOTAL</b>	<b>\$251.16</b>
5068	2/2/2022	CITY OF INDUSTRY		LA FILING FEE/FY21-22		\$75.00
	2/2/2022	CITY OF INDUSTRY		LA CNTY/PEST/NOV21		\$234.32
					<b>TOTAL</b>	<b>\$309.32</b>
5069	2/9/2022	EGOSCUE LAW GROUP, INC.	THCA19-004	EGOSCUE/LEGAL/JAN22		\$700.00
					<b>TOTAL</b>	<b>\$700.00</b>
5070	2/16/2022	C & C ENGINEERING, INC.	THCA20-002	CNC/SITE INSPECT/NOV21		\$3,750.00
	2/16/2022	C & C ENGINEERING, INC.	THCA20-002	CNC/SITE INSPECT/ WEED ABATE/DEC21		\$2,475.00
					<b>TOTAL</b>	<b>\$6,225.00</b>
5071	2/16/2022	JANUS PEST MANAGEMENT, INC.	THCA21-001	JANUS/PEST/JAN22		\$65.00
					<b>TOTAL</b>	<b>\$65.00</b>
<b>TOTAL</b>						<b>\$7,550.48</b>

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

# Tres Hermanos Conservation Authority

## Payment Register

From 3/1/2022 to 3/31/2022

#	DATE	VENDOR NAME	CONTRACT/ PO#	DESCRIPTION	RETENTION	INVOICE AMT
5072	3/2/2022	C & C ENGINEERING, INC.	THCA20-002	CNC/SITE INSPECT/JAN22		\$1,695.00
<b>TOTAL</b>						<b>\$1,695.00</b>
5073	3/2/2022	CITY OF CHINO HILLS		CH/POSTAGE/JAN22		\$22.57
	3/2/2022	CITY OF CHINO HILLS		CH/STAFF TIME/JAN22		\$847.16
	3/2/2022	CITY OF CHINO HILLS		CH/WATER 01/12/22-02/10/22		\$231.81
<b>TOTAL</b>						<b>\$1,101.54</b>
5074	3/2/2022	INDUSTRY SECURITY SERVICES, INC.		INDSTY/SECURITY SRVCS/JAN22		\$3,440.56
<b>TOTAL</b>						<b>\$3,440.56</b>
5075	3/9/2022	EGOSCUE LAW GROUP, INC.	THCA19-004	EGOSCUE/LEGAL/FEB22		\$350.00
<b>TOTAL</b>						<b>\$350.00</b>
5076	3/16/2022	C & C ENGINEERING, INC.	THCA20-002	CNC/SITE INSPECT/FEB22		\$1,697.50
<b>TOTAL</b>						<b>\$1,697.50</b>
5077	3/16/2022	INDUSTRY SECURITY SERVICES, INC.		INDSTY/SECURITY SRVCS/FEB22		\$3,143.96
<b>TOTAL</b>						<b>\$3,143.96</b>
5078	3/16/2022	JANUS PEST MANAGEMENT, INC.	THCA21-001	JANUS/PEST/FEB22		\$190.00
<b>TOTAL</b>						<b>\$190.00</b>
5079	3/30/2022	C & C ENGINEERING, INC.	THCA20-002	CNC/SITE INSPECT/OCT21		\$1,585.00
<b>TOTAL</b>						<b>\$1,585.00</b>
5080	3/30/2022	CITY OF CHINO HILLS		CH/WATER 02/10/22-03/11/22		\$227.94
<b>TOTAL</b>						<b>\$227.94</b>
20002	3/14/2022	CITIZENS BUSINESS BANK (THCA CREDIT CARD)		TWO YEAR DOMAIN RENEWAL OF THCA		\$127.02
<b>TOTAL</b>						<b>\$127.02</b>
<b>TOTAL</b>						<b>\$13,558.52</b>

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



*TRES HERMANOS CONSERVATION AUTHORITY*

ITEM NO. 3.3



Chino Hills · Diamond Bar · Industry

**Date:** May 11, 2022  
**To:** Chair and Board of Directors  
**From:** Daniel Fox, Executive Director  
**Subject:** Treasurer's Report for the Months Ended February 28, 2022 and March 31, 2022.

**Recommendation:**

That the Authority receive and file the Treasurer's Reports for the months ended February 28, 2022 and March 31, 2022.

**Background/Analysis:**

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

Attached for your information is the Treasurer's Report for the months ended February 28, 2022 and March 31, 2022.

**Respectfully Submitted,**

**Reviewed By,**

*Christina Buhagiar*

Christina Buhagiar, Treasurer

4/13/2022

*Daniel Fox*

Daniel Fox, City Manager

5/4/2022

Attachments:

1. Treasurer's Report - February 2022
2. Treasurer Report - March 2022


Tres Hermanos Conservation Authority  
Treasurer's Report  
For the Month Ended February 28, 2022

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
<b>Cash and Cash Equivalents</b>					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 7,186	\$ 7,186	0.02%	n/a	2.90%
	241,356	240,738	0.28%	n/a	97.10%
<b>Total Investment Portfolio</b>	<b>\$ 248,542</b>	<b>\$ 247,924</b>			<b>100.00%</b>

**Blended Yield of Cash and Investments** 0.27%

<b>Benchmarks:</b>	
LAIF	0.28%
6mo U.S. Treasury	0.69%
2yr U.S. Treasury	1.44%
5yr U.S. Treasury	1.71%

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

  
\_\_\_\_\_  
Christina Buhagiar  
Treasurer

**Tres Hermanos Conservation Authority**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Month Ended February 28, 2022**

	<u>Revised Budget 2021/22</u>	<u>February 2022</u>	<u>Fiscal Year To Date 2021/22</u>	<u>% of Budget Used</u>
<b>Revenues:</b>				
Interest Income	\$ -	\$ -	\$ 231	-
Fair Market Value Adjustment	-	-	(10)	-
Rental Income	11,700	675	5,400	46%
Reimbursements	4,000	37	257	6%
Contributions from Member Agencies	241,755	-	241,755	100%
Total Revenues	<u>257,455</u>	<u>712</u>	<u>247,633</u>	<u>96%</u>
<b>Expenditures:</b>				
Contractual Services	187,640	7,985	48,331	26%
Bank Charges	180	-	7	4%
Audit Services	2,855	-	2,000	70%
Legal Services	6,900	700	3,325	48%
Security Services	45,270	3,440	22,793	50%
Professional Services	30,000	847	6,602	22%
Liability Insurance	18,760	-	1,654	9%
Office Supplies	5,400	44	1,067	20%
Water	4,000	232	2,943	74%
Permits & Fees	7,864	-	486	6%
Total Expenditures	<u>308,869</u>	<u>13,248</u>	<u>89,208</u>	<u>29%</u>
Excess of Revenues Over/(Under) Expenditures	<u>\$ (51,414)</u>	<u>\$ (12,536)</u>	<u>\$ 158,425</u>	
<b>Fund Balances:</b>				
Beginning of Fiscal Year			\$ 83,905	
Excess of Revenues Over/(Under) Expenditures			158,425	
As of February 28, 2022			<u>\$ 242,330</u>	A
<b>Fund Balances by City:</b>				
Chino Hills			\$ 81,281	
Diamond Bar			76,387	
Industry			84,662	
Total Fund Balances by City			<u>\$ 242,330</u>	

A The ending fund balance in the amount of \$242,330 differs from the bank balance of \$248,542. The (\$6,212) difference is the net of (\$6,237) in accounts payable and \$25 in accounts receivable on the tenant's account.

Tres Hermanos Conservation Authority  
Treasurer's Report  
For the Month Ended March 31, 2022

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
<b>Cash and Cash Equivalents</b>					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 35,912	\$ 35,912	0.02%	n/a	15.28%
LAIF Account	201,356	199,091	0.37%	n/a	84.72%
<b>Total Investment Portfolio</b>	<b>\$ 237,268</b>	<b>\$ 235,003</b>			<b>100.00%</b>

**Blended Yield of Cash and Investments** 0.31%

<b>Benchmarks:</b>	
LAIF	0.37%
6mo U.S. Treasury	1.06%
2yr U.S. Treasury	2.28%
5yr U.S. Treasury	2.42%

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

Christina Buhagiar  
Treasurer

**Tres Hermanos Conservation Authority**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Month Ended March 31, 2022**

	<u>Revised Budget 2021/22</u>	<u>March 2022</u>	<u>Fiscal Year To Date 2021/22</u>	<u>% of Budget Used</u>
<b>Revenues:</b>				
Interest Income	\$ -	\$ 1	\$ 232	-
Fair Market Value Adjustment	-	-	(11)	-
Rental Income	11,700	675	6,075	52%
Reimbursements	4,000	37	294	7%
Contributions from Member Agencies	241,755	-	241,755	100%
Total Revenues	<u>257,455</u>	<u>713</u>	<u>248,345</u>	<u>96%</u>
<b>Expenditures:</b>				
Contractual Services	187,640	3,472	51,803	28%
Bank Charges	180	8	15	8%
Audit Services	2,855	-	2,000	70%
Legal Services	6,900	350	3,675	53%
Security Services	45,270	3,144	25,937	57%
Professional Services	30,000	2,191	8,793	29%
Liability Insurance	18,760	14,754	16,408	87%
Office Supplies	5,400	127	1,194	22%
Water	4,000	228	3,171	79%
Permits & Fees	7,864	-	486	6%
Total Expenditures	<u>308,869</u>	<u>24,274</u>	<u>113,482</u>	<u>37%</u>
Excess of Revenues Over/(Under) Expenditures	<u>\$ (51,414)</u>	<u>\$ (23,561)</u>	<u>\$ 134,863</u>	
<b>Fund Balances:</b>				
Beginning of Fiscal Year			\$ 83,905	
Excess of Revenues Over/(Under) Expenditures			134,863	
As of March 31, 2022			<u>\$ 218,768</u>	A
<b>Fund Balances by City:</b>				
Chino Hills			\$ 73,427	
Diamond Bar			68,533	
Industry			76,808	
Total Fund Balances by City			<u>\$ 218,768</u>	

A The ending fund balance in the amount of \$218,768 differs from the bank balance of \$237,268. The (\$18,500) difference is the net of (\$1,585) outstanding check; (\$16,945) in accounts payable and \$30 in accounts receivable on the tenant's account.

*TRES HERMANOS CONSERVATION AUTHORITY*

ITEM NO. 3.4



Chino Hills · Diamond Bar · Industry

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**Date:** May 11, 2022  
**To:** Chair and Board of Directors  
**From:** Daniel Fox, Executive Director  
**Subject:** Continued Use of Teleconferencing in Accordance with Assembly Bill 361 For Meetings of the Tres Hermanos Conservation Authority.

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**Recommendation:**

Adopt Resolution No. THCA 2022-09 entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.

**Background/Discussion:**

Due to the continued impact of the COVID-19 pandemic, the California Legislature passed AB 361 (effective October 1, 2021), which authorizes a local agency to use teleconferencing without complying with certain teleconferencing requirements imposed by the Brown Act when: (1) the legislative body of a local agency holds a meeting during a declared state of emergency; (2) when state or local health officials have imposed or recommended measures to promote social distancing; and/or (3) when a local agency has determined that meeting in person would present imminent risks to the health or safety of attendees.

The Authority first utilized the provisions of AB 361 at its Special meeting on October 25, 2021. In order to continue to have the ability to use the modified teleconferencing options, AB 361 requires that the Authority re-affirm its findings every 30 days thereafter. Conditions under which AB 361 may be utilized continue to exist as described in the attached Resolution (Attachment 1).

The Authority is currently going beyond what the Brown Act requires by holding meetings in person and by way of teleconference and allowing the public to participate in both forums. The provisions of AB 361 allowing the modified teleconferencing will expire January 1, 2024.



**Fiscal Impact:**

No fiscal impact.

**Legal Review:**

The Authority General Counsel has reviewed and approved the Resolution as to form.

**Respectfully Submitted,**

**Reviewed By,**

*Kristina Santana*

Kristina Santana, City Clerk

4/19/2022

*Daniel Fox*

Daniel Fox, City Manager

5/3/2022

Attachments:

1. Resolution No. THCA 2022-09 AB 361

**RESOLUTION NO. THCA 2022-09****A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.**

**WHEREAS**, on March 4, 2020, California Governor Newsom declared a State of Emergency in response to the COVID-19 pandemic; and

**WHEREAS**, on March 12, 2020, to address the impacts of COVID-19, Governor Newsom issued Executive Orders that required, among other things, residents of California to follow orders and guidance of local public health officials, including social distancing and masking requirements; and

**WHEREAS**, existing California law, the Ralph M. Brown Act (“Brown Act”) requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public, that a physical location for such meetings be provided, and that the public be permitted to provide public comment during the meetings; and

**WHEREAS**, the Brown Act permits members of legislative bodies to teleconference into public meetings subject to certain conditions, including that the place from which the member teleconferences be open to the public, that an agenda be posted on the site, and that the teleconference location be noticed in the agenda; and

**WHEREAS**, in recognition that such public gatherings at such meetings could accelerate the spread of COVID-19, Governor Newsom’s Executive Orders suspended, among others, these Brown Act teleconferencing requirements to provide local agencies with greater flexibility to hold meetings via teleconferencing safely; and

**WHEREAS**, as of September 30, 2021, the Governor’s Executive Order suspending the Brown Act’s teleconferencing requirements expired; and

**WHEREAS**, on September 16, 2021, Governor Newsom signed Assembly Bill 361, which authorizes a local agency to continue to use teleconferencing without complying with certain teleconferencing requirements imposed by the Brown Act when: (1) the legislative body of a local agency holds a meeting during a declared state of emergency; (2) when state or local health officials have imposed or recommended measures to promote social distancing; and/or (3) when a local agency has determined that meeting in person would present imminent risks to the health or safety of attendees; and

**WHEREAS**, both Los Angeles County and state health officials continue to recommend social distancing due to continued community spread of COVID-19 cases; and

**WHEREAS**, the Authority first utilized the provisions authorized by AB 361 at a Special meeting on October 25, 2021, and subsequently adopted Resolution Nos. THCA 2021-06, 2021-07, 2022-01, 2022-02, 2022-03, 2022-04 and 2022-07 re-affirming its continued use.

**WHEREAS**, the Authority must approve a Resolution reaffirming that the requirements set forth in Assembly Bill 361 exist every 30 days in order to allow members of its legislative bodies to utilize the provisions of Assembly Bill 361 when attending public meetings via teleconferencing; and

**WHEREAS**, notwithstanding that the Authority, as defined by the Brown Act, are now holding modified public meetings in person, there may be situations in which a Board of Director(s) decides not to attend in person due to a particular health or safety risk posed by such attendance and as such, it is the desire of the Authority to permit its Board of Directors to attend by way of teleconference pursuant to Assembly Bill 361.

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

**Section 1.** That the above recitals are true and correct. and based thereon, that the spread and potential further spread of COVID-19 poses an imminent risk to the public health and safety.

**Section 2.** That meetings of the Tres Hermanos Conservation Authority are held in the City of Diamond Bar, in the County of Los Angeles, in the State of California.

**Section 3.** That a state of emergency due to the COVID-19 pandemic continues to exist and at the time that this Resolution was adopted both Los Angeles County and State health officials are recommending social distancing to slow the spread of COVID-19.

**Section 4.** That meeting in person may pose an imminent risk to the health and safety of some attendees, including members of the Authority Board of Directors, who due to age, health conditions, or vaccination status, have a higher risk of contracting COVID-19 and are more likely to get severely ill and in some cases, die from COVID-19.

**Section 5.** That during the effective period of this Resolution and any reaffirmation thereof, Authority Board of Directors may participate in meetings subject to the Brown Act by way of teleconference in accordance with Assembly Bill 361.

**Section 6.** That meetings shall be held in accordance with AB 361 by, among other things, providing notice to the public how it can access the meeting and provide public comment, providing an opportunity for the public to attend via a call-in or an internet-based service option, conducting the meeting in a manner which protects the statutory and constitutional rights of the public, and stopping the meeting until public access is restored in the event of a service disruption.

**IT IS FURTHER RESOLVED** that this Resolution is effective for 30 days from its adoption date. Subsequent appearances by teleconferencing of the Board of Directors must be affirmed/acknowledged every 30 days by the Tres Hermanos Conservation Authority in order for the provisions of Assembly Bill 361 to continue to apply.

**PASSED, APPROVED AND ADOPTED** this 11<sup>th</sup> day of May, 2022.

\_\_\_\_\_

Cathy Marcucci, Chair  
Tres Hermanos Conservation Authority

**ATTEST:**

I, Kristina Santana, Secretary of the Tres Hermanos Conservation Authority, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the Board of Directors of the Tres Hermanos Conservation Authority at a Regular meeting held on the 11<sup>th</sup> day of May, 2022, by the following vote:

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

\_\_\_\_\_

Kristina Santana  
Secretary  
Tres Hermanos Conservation Authority

*TRES HERMANOS CONSERVATION AUTHORITY*

ITEM NO. 3.5



Chino Hills · Diamond Bar · Industry

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**Date:** May 11, 2022  
**To:** Chair and Board of Directors  
**From:** Daniel Fox, Executive Director  
**Subject:** Appointment of Certified Public Accountants.

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**Recommendation:**

That the Authority appoint Lance, Soll & Lunghard, LLP, as the certified public accountants to provide financial auditing services for the Fiscal Year 2021-22 audit.

**Background/Analysis:**

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 3.8 Treasurer, the certified public accountant shall be annually appointed by the Board. In January 2021, the City of Chino Hills issued a Request for Proposal (RFP) for financial auditing services and after reviewing 10 proposals, entered into a five-year contract with Lance, Soll & Lunghard, LLP. The Authority's annual financial audit is included in these services.

**Fiscal Impact:**

There is sufficient funding in the Authority's operating budget to cover the Fiscal Year 2021-22 cost of the Lance, Soll & Lunghard, LLP, financial auditing services. Future financial auditing service costs will be budgeted for in the appropriate fiscal year.

**Respectfully Submitted,**

**Reviewed By,**

*Christina Buhagiar*

Christina Buhagiar, Treasurer

5/4/2022

*Daniel Fox*

Daniel Fox, City Manager

5/4/2022

*TRES HERMANOS CONSERVATION AUTHORITY*

ITEM NO. 5.1



Chino Hills · Diamond Bar · Industry

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**Date:** May 11, 2022

**To:** Chair and Board of Directors

**From:** Daniel Fox, Executive Director

**Subject:** Consideration of a Lease Agreement for Equine Grazing by and between the Tres Hermanos Conservation Authority and Red Bucket Equine Rescue for that portion of Tres Hermanos Ranch generally located east of Chino Hills Parkway and south of Chino Avenue (a portion of APN 8701-021-905).

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**Recommendation:**

That the Board of Directors:

- A. Determine that approval of the Lease Agreement is exempt from the California Environmental Quality Act pursuant to Section 15301 (Class 1) of the CEQA Guidelines, and direct staff to file a Notice of Exemption with the County of Los Angeles Clerk;
- B. Approve a Lease Agreement with Red Bucket Equine Rescue for that portion of Tres Hermanos Ranch, generally located east of Chino Hills Parkway and south of Chino Avenue (a portion of APN 8701-021-905), in a form approved by Authority General Counsel; and
- C. Authorize the Executive Director to execute all documents, related thereto.

**Background:**

Red Bucket Equine Rescue (Lessee) has proposed to graze equines on a portion of the Tres Hermanos Ranch property (Attachment 2). Staff has worked with Red Bucket to identify an approximate 50-acre area generally located along the east side of Chino Hills Parkway, south of Chino Avenue that would be suitable for their use. This portion of the property is identified as Non-Exclusive Premises under the current lease and is being used for cattle grazing which has been conducted continuously in the region and on Tres Hermanos Ranch for more than four decades. The proposed lease essentially replaces the existing cattle grazing with equine grazing covering the same area.



The grazing operations assists with weed abatement and was previously allowed in conjunction with the rental agreement for the dwelling unit. After transfer of the property to the Tres Hermanos Conservation Authority (Authority), the Board of Directors adopted a new residential rental agreement for the dwelling unit. Since the existing cattle grazing operations were not integrated into that residential rental agreement, separate lease agreements were subsequently approved with each rancher to allow continuation of the existing cattle grazing operations.

The following table summarizes the major substantive lease provisions:

LEASE PROVISIONS	PROPOSED
Term	Month-to-month commencing July 1, 2022, with both Authority and the Lessee possessing the right to cancel upon 60-day written notice.
Permitted Use	Equine grazing to provide weed abatement and the associated activities are the sole authorized use, unless prior written consent from Authority is obtained.
Lease Area	That portion of Tres Hermanos Ranch, east of Chino Hills Parkway and south of Chino Avenue (a portion of APN 8701-021-905) as depicted in Exhibit "A" of the Lease Agreement.
Rent Amount	\$165 per month, or \$1,980 per year, subject to annual increase each July, based upon the Consumer Price Index (CPI). Lessee will be responsible for all utilities and taxes, including taxes levied for property, fixtures, improvement, equipment, and possessory interest.
Maintenance and Improvements	Lessee will maintain all fences, corrals, and water troughs associated with the Lessee's use. Only temporary structures may be allowed, with prior written consent from Authority.
Compliance with Laws	Lessee is responsible for compliance with all laws, ordinances, and policies, including, but not limited to, obtaining and maintaining a valid business license from the City of Diamond Bar.

A complete copy of the proposed Lease Agreement is included in Attachment 1 for review and consideration by the Board of Directors.

### **Environmental Assessment:**

The proposed project is exempt from the California Environmental Quality Act (CEQA) per Section 15301. Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The proposed project consists of the leasing of existing public land, involving no expansion of or changes to the existing grazing operations and no planned improvements to the subject property. Therefore, it is recommended that the Board of Directors determine that the approval of the Lease Agreement is exempt from CEQA, pursuant to Section 15301 (Class 1) of the CEQA Guidelines, and no further environmental review is required.

**Fiscal Impact:**

Lease income will be generated in the amount of \$165.00 per month, or \$1,980 per year, subject to annual CPI increases. In addition, the equine grazing operations will reduce costs related to weed abatement in this portion of the property on an on-going basis.

**Legal Review:**

The Authority General Counsel has reviewed and approved the Lease Agreement as to form.

**Respectfully Submitted,**

**Reviewed By,**

*Kristina Santana*  
\_\_\_\_\_  
Kristina Santana, City Clerk

4/29/2022

*Daniel Fox*  
\_\_\_\_\_  
Daniel Fox, City Manager

5/4/2022

**Attachments:**

1. THCA Lease Agreement for Grazing - Red Bucket
2. Red Bucket Proposal - Tres Hermanos Ranch

**LEASE AGREEMENT**  
**Red Bucket Equine Rescue**

1. **PARTIES:** This Lease is made between the Tres Hermanos Conservation Authority (AUTHORITY) and Red Bucket Equine Rescue (LESSEE), a 501(c)(3) non-profit organization, who agrees as follows.
2. **PREMISES LEASED:** For and in consideration of the mutual covenants and obligations herein contained and to be kept and performed by the respective parties hereto, AUTHORITY does hereby Lease and let unto LESSEE and LESSEE does hereby hire and take from AUTHORITY, upon the terms and conditions hereinafter set forth, non-exclusive use of all that certain real property located in the city of Diamond Bar, State of California, described in Exhibit "A" attached hereto and by this reference incorporated herein (hereinafter sometimes referred to as the "Leased Premises").
3. **TERM:** This Lease shall be on a month-to-month basis, commencing on July 1, 2022.
4. **TERMINATION CLAUSE:** Either party shall have the right to cancel this Lease upon giving sixty (60) day notice in writing to the other party hereto. Rent will not be prorated if this Lease is terminated by LESSEE.
5. **USE:** The AUTHORITY Leases the Leased Premises to LESSEE for the sole purpose of grazing equines providing the benefit of weed abatement to the AUTHORITY. Other actions related to grazing equine including but not limited to are constructing and repairing fences and gates, installing corrals and feed storage, rounding up, releasing and feeding equines are also allowed. The Leased Premises shall be used for no other purpose by LESSEE without prior written consent of the AUTHORITY.
6. **RENT:** LESSEE shall pay as rental for use of the Leased Premises, the sum of \$165.00 per month. Monthly rental payments shall be paid to AUTHORITY in advance of each calendar month during the term of this Lease, at the address for AUTHORITY regarding payment set forth below. The rent amount shall increase each July 1<sup>st</sup> commencing on July 1, 2023, based on the annual percentage increase in the Consumer Price Index from March to March for either the All Items Riverside-San Bernardino-Ontario or the All Items Los Angeles-Long Beach-Anaheim indexes whichever is greater. AUTHORITY shall provide at least 30-days notice to LESSEE of any rent increase. In addition, LESSEE shall, at his/her/its own and sole expense: (1) repair and install adequate fencing to securely contain all equine brought onto the Lease Premises; and (2) visit (or commission others to visit) the Leased Premises on a regular basis for purposes of serving as general caretaker.

7. **LIENS:** LESSEE agrees to keep the Leased Premises free and clear of all liens or claims of lien, for all labor, machinery, materials, equipment, and supplied furnishing, or any other items supplied or furnished at the request of the LESSEE and used in connection with any operation on the Leased Premises by the LESSEE. Should AUTHORITY desire to post notice of non-responsibility upon the Leased Premises, LESSEE agrees to allow the same to be posted and to keep said notices posted thereon, all in accordance with this Lease and the requirements of the laws of the State of California.
8. **INDEMNIFICATION OF AUTHORITY:** LESSEE shall indemnify, protect, defend, and hold the AUTHORITY and its officers, employees, agents, and volunteers free and harmless from any and every claim, demand, or action for damages, or injury to any person or persons or property of any kind whatsoever, and any cost, loss, or expense in connection therewith, and agrees to defend the AUTHORITY and all officers, employees, agents, and volunteers of said AUTHORITY against any claims or demands which may arise out of or result from LESSEE'S occupation and activities on the Leased Premises.
9. **INSURANCE:**
  - a. LESSEE agrees to take out and keep in force, during the term hereof, at LESSEE'S expense, comprehensive, general and automobile liability insurance with equine liability endorsements with companies satisfactory to AUTHORITY to protect against any liability to the public, the AUTHORITY or its officers, employees, agents and volunteers incident to the use or resulting from any accident incident to the use and occupancy of LESSEE, occurring on or about the Leased Premises, the limits of liability to be not less than Two Million and 00/100 Dollars (\$2,000,000) per occurrence combined single limits for bodily injury, personal injury, and property damage. If Commercial general Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the activities related to this Agreement or the general aggregate limit shall be twice the required occurrence limit. LESSEE further shall at all times carry Worker's Compensation and Employer's Liability Workers' Compensation as required by the Labor Code of the State of California and Employer's Liability limits of \$1,000,000 per accident to cover worker or persons who perform services for LESSEE on the Leased Premises.
  - b. AUTHORITY, its officers, officials, and employees, and volunteers are to be covered as additional insureds under said policy or policies of insurance. All Insurance required shall be maintained in full force at all times during this Lease by LESSEE. LESSEE shall be required to inform AUTHORITY in writing of any change, expiration or renewal of any insurance policy or policies at least thirty (30) days prior to the effective date of change. Further, each policy shall provide that same shall not be canceled until a

thirty (30) day written notice of cancellation has been mailed to the Tres Hermanos Conservation Authority, Authority's Records Office, C/O Chino Hills City Clerk, 14000 City Center Drive, Chino Hills, California 91709. All such policies shall contain language to the effect that (1) the insurer waives the right of subrogation against the AUTHORITY and its officers, employees, agents, and volunteers; and (2) the policies are primary and non-contributing with any insurance that may be carried by AUTHORITY.

- c. In the event AUTHORITY receives a thirty (30) day written notice of cancellation concerning any of the required policies or should LESSEE fail to have in effect the required coverage at any item during this Lease, AUTHORITY may give notice to LESSEE to reinstate or acquire the affected coverage. Should LESSEE fail to reinstate or acquire the affected coverage within ten (10) days of AUTHORITY'S notice to reinstate or acquire such coverage, AUTHORITY may either terminate the Lease, reinstate or acquire the affected coverage, and LESSEE shall reimburse AUTHORITY for the necessary cost at AUTHORITY'S option. If LESSEE does not reimburse AUTHORITY within ten (10) days after demand by AUTHORITY, AUTHORITY shall have the right to terminate this Lease.
10. **TAXES:** LESSEE shall promptly pay, when due, any and all taxes levied upon or against any equines, property, fixtures, improvements or equipment placed upon the Leased Premises by LESSEE.
  11. **POSSESSORY INTEREST TAXES:** LESSEE recognizes and understands that this Lease will create a possessory interest subject to property taxation and the LESSEE may be subject to the payment of property taxes levied on such interest.
  12. **UTILITIES:** LESSEE is responsible for arranging all other utility services and agrees to promptly pay, when due, all charges for any and all utilities supplied to the Leased Premises, including but not limited to water, electricity, gas, garbage/waste collection services and telephone services, used by LESSEE in or on the Premises during the term of this Agreement.
  13. **ACCEPTANCE OF PREMISES:** Upon the acceptance or the possession and occupancy of the Leased Premises by LESSEE, the same shall conclusively be deemed to be fit and proper for the purposes for which the same is hereby let and to be used.
  14. **COMPLIANCE WITH LAWS:** LESSEE shall maintain the Leased Premises in a neat and orderly manner at all times. LESSEE shall faithfully observe all laws, ordinances, and policies of the authorities and the legislative bodies of the United States of America, State of California, County of Los Angeles, City of Diamond Bar or by any other governmental body having jurisdiction over the same. LESSEE shall comply with all ordinances, laws, rules or regulations, now or hereafter made, affecting their operations on the Leased Premises.



said ten (10) day period the default is not corrected, this Lease shall be at an end and all rights of LESSEE upon and to the Leased Premises shall cease and this Lease shall be thereupon terminated. In such event, LESSEE shall deliver immediate, peaceful possession of the Leased Premises to AUTHORITY, but shall have sixty (60) days in which to remove equine, machinery, fixtures, equipment, improvements, and other property belonging to LESSEE.

19. **GENERAL COVENANTS AND AGREEMENTS:**

- a. LESSEE agrees not to use the Leased Premises or any part thereof for any purpose that causes injury to any neighboring property, nor for any purpose in violation of valid applicable laws or ordinances. LESSEE shall make no use of the premises that will constitute a nuisance and shall maintain the Leased Premises in a neat and orderly manner.
- b. In the event LESSEE uses the Leased Premises for any purpose that constitutes a nuisance, this Lease may be terminated by AUTHORITY immediately upon written notice; unless LESSEE abates such nuisance within ten (10) days after AUTHORITY has served upon LESSEE written notice requiring such abatement.
- c. LESSEE agrees not to record this Lease or any memorandum of this Lease.
- d. LESSEE agrees to maintain all fences, corrals, water troughs and other improvements in good repair, subject to reasonable wear and tear associated with LESSEE'S use, and to make reasonable efforts to prevent trespassers from entering the Leased Premises.
- e. LESSEE shall not hunt or fish on the Leased Premises nor cut or carry off wood from the Leased Premises, nor burn any substance growing on the land, nor plant or farm any items, nor perform grading activity without the prior written consent from the AUTHORITY.

20. **SPECIAL COVENANTS AND AGREEMENTS:**

- a. AUTHORITY reserves the right to enter, occupy and use the Leased Premises for any purpose, including but not limited to, equestrian trails and the fencing thereof, any time so long as it does not unreasonably interfere with LESSEE'S right to graze the Leased Premises, direct their agents and employees to conduct oil test, surveying, and geological and environmental studies and to conduct such other development work as may be desired by AUTHORITY.
- b. Any structures or portions thereof installed or constructed by LESSEE on the Leased Premises, including fences, shall be of a temporary nature and shall be constructed in such a manner that removal or relocation may readily be made. Said removal or relocation shall be made at no cost to the

AUTHORITY. LESSEE shall not construct any structures on the Leased Premises without prior written consent of the AUTHORITY.

- c. LESSEE will agree to maintain an on-going dialogue with AUTHORITY to assist and cooperate with the AUTHORITY in resolving public access/grazing conflicts that may include the need to relocate or limit equine from accessing certain areas of the Leased Premises upon 45-day notice for public events or 48-hour notice for necessary property maintenance.
21. **NON-WAIVER:** The failure or omission of AUTHORITY to terminate this Lease for any violation of its terms, covenants, or conditions shall not be deemed to be a consent by the AUTHORITY to such or any subsequent violation or a waiver of any of the rights of the AUTHORITY hereunder and shall in no manner thereafter stop or prevent AUTHORITY from terminating this Lease for any subsequent violation of any term, covenant, or condition hereof.
22. **INSPECTION:** AUTHORITY, its employees, agents, and attorneys, shall have the right to enter upon the Leased Premises for the purpose of viewing and inspecting the Leased Premises at any and all reasonable times.
23. **ASSIGNMENTS AND SUBLETTING:** LESSEE shall not assign, sublet, or hypothecate this Lease, or any interest herein, whether voluntarily or involuntarily, without the prior written consent of AUTHORITY. Any attempted assignment, subletting, hypothecation, or transfer of LESSEE'S interest in this Lease in violation hereof shall be void and entitles AUTHORITY to any and all remedies at law and in-equity.
24. **CAPTIONS:** The captions of this Lease shall have no effect on its interpretations.
25. **SUCCESSORS AND ASSIGNS:** All the provisions of this Lease shall extend to and include and be binding upon the successors and assigns of the AUTHORITY and the successors and assigns of the LESSEE. This Lease shall inure to the benefit of and be binding upon the successors and assigns of both parties.
26. **COUNTERPARTS:** This Lease may be executed in counterparts and any such counterpart, when fully executed, shall be deemed an original.



Lease Agreement; Red Bucket Equine Rescue

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

TRES HERMANOS CONSERVATION  
AUTHORITY:

LESSEE:

\_\_\_\_\_  
Cathy Marcucci, Chair

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Kristina Santana, Secretary

Date: \_\_\_\_\_

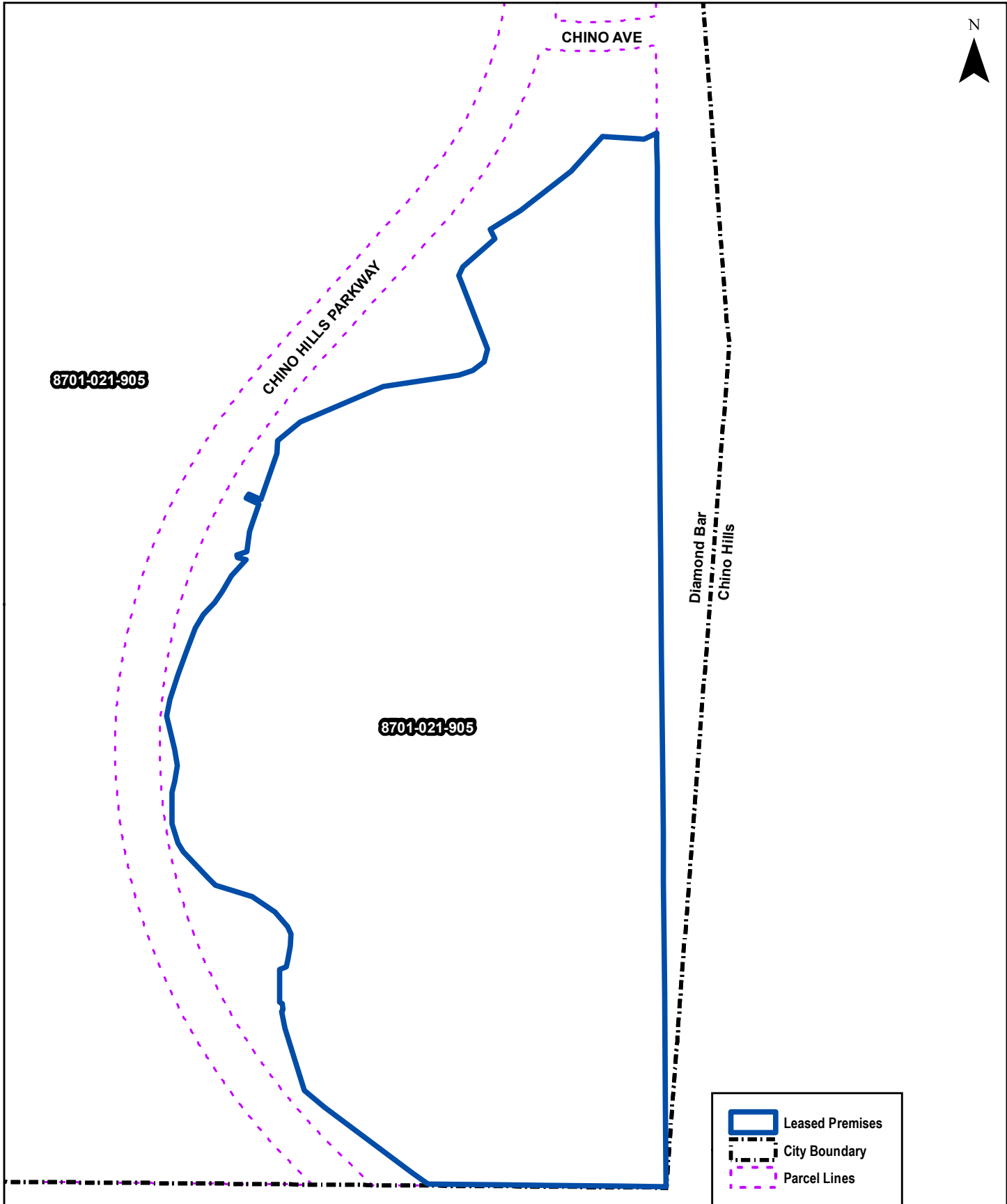
APPROVED AS TO FORM:

\_\_\_\_\_  
Tracy J. Egoscue, Authority General Counsel

Date: \_\_\_\_\_

Lease Agreement; Red Bucket Equine Rescue

EXHIBIT A



Prepared By:  
  
 CNC  
 ENGINEERING  
 www.cnc-eng.com  
 (626) 333 0336  
 Tim Bowser, GIS Manager 1/26/2022

**TRES HERMANOS CONSERVATION AUTHORITY**  
 EXHIBIT A  
 EQUINE GRAZING EAST OF CHINO HILLS PARKWAY



# Proposal for Partnership

## From

Susan Peirce  
President & Founder  
Red Bucket Equine Rescue

---

## Prepared for

Daniel Fox  
City Manager  
City of Diamond Bar





## About Us

Red Bucket Equine Rescue, a 501(c)3 non-profit organization, is dedicated to serving high-risk and suffering equines, the untrained, unspeakably abused, starving, old, unwanted, and forgotten. Red Bucket assesses the equine, provides veterinary care, rehabilitation, and training. For horses and donkeys suitable for adoption, forever homes are found, and for those who have been damaged beyond our ability to responsibly re-home, we provide them sanctuary for life. Red Bucket staunchly protects life, and is dedicated to mind, body and spirit.

## The Need

The Red Bucket Ranch is zoned for up to 100 equine. Due to our commitment to life and our growing population of Treasured Residents requiring sanctuary, we have run out of room to serve equine.





## The Ask

With a great deal of humility, we respectfully request the exclusive use of the approximately 50+ acre parcel located off of Chino Hills Parkway.

The acreage will allow us to graze upwards of 30 equine. Horses generally walk up to 15 miles a day grazing. The mutual benefit to Tres Hermanos and Red Bucket includes a collaboration that will allow Red Bucket more space, grazing, and enrichment while providing Tres Hermanos with weed abatement and the additional security, or eyes and ears, that a few select and trusted Red Bucket team members will provide.

In the event that additional weed abatement is required, Red Bucket is prepared to i) add additional horses or donkeys and ii) if approved by the Board/Management, Red Bucket will organize volunteer weed abatement community service events for the area allocated to Red Bucket as we understand the critical importance.

The parcel provides security and safety for the horses. Due to the safety of the horses we respectfully request not to commingle them with non Red Bucket horses or livestock. Further, out of concern for the horses and our felt responsibility we would not want a non Red Bucket person to move or handle the horses.

Red Bucket is very grateful for the extraordinary opportunity that this will provide to our previously unwanted horses. We fully anticipate paying the same monthly fee that the ranchers pay. Further, we expect to assume responsibility of 25% of the water bill, which we understand will be divided equally amongst the four tenants. Red Bucket will provide the necessary liability insurance.





## Improvements

Red Bucket is grateful for this life changing opportunity and is looking forward to meaningful and trust building collaboration. We have identified four opportunities for dialogue and approval of the Board/Management:

**Water** - We would like to clean and expand the water trough.

**Shelter** - We would like to add modular run-in shelters to protect the horses from extreme weather. These shelters will be aesthetically pleasing to the terrain and be removable.

**Safety Gate** - We would like to add a second interior gate to the entrance on Chino Hills Parkway to ensure the safety of the horses when the gate is accessed by vehicles.

**Hay Storage** - We would like to add well maintained hay storage.

Red Bucket will assume the cost for all aforementioned additions and maintenance.





## President & Founder, Susan Peirce

Susan is a lifelong horsewoman with over forty years of relevant equine experience including training, program design, rehabilitation, operations, management and both national and international horse show experience. Susan is a partner at SSCA, Inc., a behavioral consulting firm specializing in leadership and organizational development and effectiveness. Her client list has included Johnson & Johnson, Boston Scientific, PacifiCare, Blue Cross, Epson and many global organizations. She has successfully blended her business, behavioral and horse experience in developing an innovative model of horse rescue. Her advocacy is that “rescue is only the beginning,” therefore the intensive and goal-directed development and training of horses in the care of Red Bucket is a strong differentiator. Susan is a leader in the field of equine welfare and has dedicated her life to saving and serving high-risk horses, providing the leadership to create a sustainable model of rescue for the future, and changing the paradigm of rescue horses.

