
Special Housing Authority

Meeting Agenda

Thursday, May 21, 2015

3:00 PM

City Hall Council Chambers



WELCOME TO A REGULARLY SCHEDULED MEETING OF THE INDIAN WELLS HOUSING AUTHORITY. ALL PERSONS WISHING TO ADDRESS THE HOUSING AUTHORITY SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS AND HAND IT TO THE AUTHORITY SECRETARY. WHEN THE CHAIRMAN HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE HOUSING AUTHORITY ON AN AGENDA ITEM LISTED ON THE MEETING AGENDA AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE CHAIRMAN. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

1. CONVENE THE INDIAN WELLS HOUSING AUTHORITY, AND ROLL CALL

CHAIRMAN TY PEABODY
VICE CHAIRMAN DANA REED
COMMISSIONER RICHARD BALOCCO
COMMISSIONER DOUGLAS HANSON
COMMISSIONER TED J. MERTENS
COMMISSIONER BOBBI FLETCHER
COMMISSIONER BOB MITCHELL

2. APPROVAL OF THE FINAL AGENDA

3. APPROVAL OF MEETING MINUTES

A. November 6, 2014 Special Housing Authority Minutes

Attachments: 11-06-14 Special Housing Authority

B. December 18, 2014 Housing Authority Minutes

Attachments: 12-18-14 Housing Authority

C. January 8, 2015 Special Housing Authority Minutes

Attachments: 01-08-15 Special Housing Authority

D. February 6, 2015 Special Housing Authority Minutes

Attachments: 02-06-15 Special Housing Authority

4. PUBLIC COMMENTS

ALLOWED FOR ONLY THE LISTED ITEMS ON THE SPECIAL MEETING AGENDA

All persons wishing to address the Housing Authority should fill out a Blue Public Comment Request form in advance and hand it to the Secretary. At the appropriate time, please come forward to the podium and state your name for the record. A three-minute limit is customary. Please note that you may address the Housing Authority on an agenda item listed on the special meeting agenda only, but only after being recognized by the Chair. Notwithstanding the foregoing, Housing Authority members and staff may briefly respond to statements made or questions posed during public comments, as long as such responses do not constitute any deliberation of the item.

A. Public comments concerning any matters within the subject matter jurisdiction of the Council.

5. GENERAL BUSINESS

A. Award Three Year Agreement to Winn Residential to Provide Management Services for Indian Wells Villas and Mountain View Villas

RECOMMENDED ACTIONS:

Housing Authority AWARDS a three (3) year management services agreement to Winn Residential for the management of day-to-day operations of the Indian Wells Villas and Mountain View Villas Senior Affordable Housing properties; and

AUTHORIZES and DIRECTS the Executive Director to execute said agreement.

- Attachments:** RFP for Management Firms
- Tenant Evaluation Scoring
- Contract Abstract
- Management Services Agreement

B. Approve Housing Authority Operating and Capital Budgets for Fiscal Years 2015-17

RECOMMENDED ACTION:

Housing Authority APPROVES the Operating and Capital Budgets for Fiscal Years 2015-17.

Attachments: [Housing Budget FY 2015-17](#)

C. Discussion and Direction Regarding Phase II Cultural Analysis for Housing Authority Property on the Southside of Miles Avenue Across from the Tennis Garden

RECOMMENDED ACTIONS:

Housing Authority provides DIRECTION to Staff regarding Phase II of the Cultural Analysis for the Miles Avenue Property

APPROVES contract with MSA Consulting, Inc. and CRM TECH for Phase II cultural analysis; and

AUTHORIZES and DIRECTS the Executive Director to execute the contracts for same.

Attachments: [Cultural Testing Proposal](#)
[MSA Consulting Agreement](#)

6. CLOSED SESSION

A. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(d*)(1): Claimant: Jimmie Barcena, Jr.

7. ADJOURNMENT

To a special meeting of the Indian Wells Housing Authority to be held at 10:00 a.m. on July 16, 2015 in the City Hall Council Chambers.

* Corrected

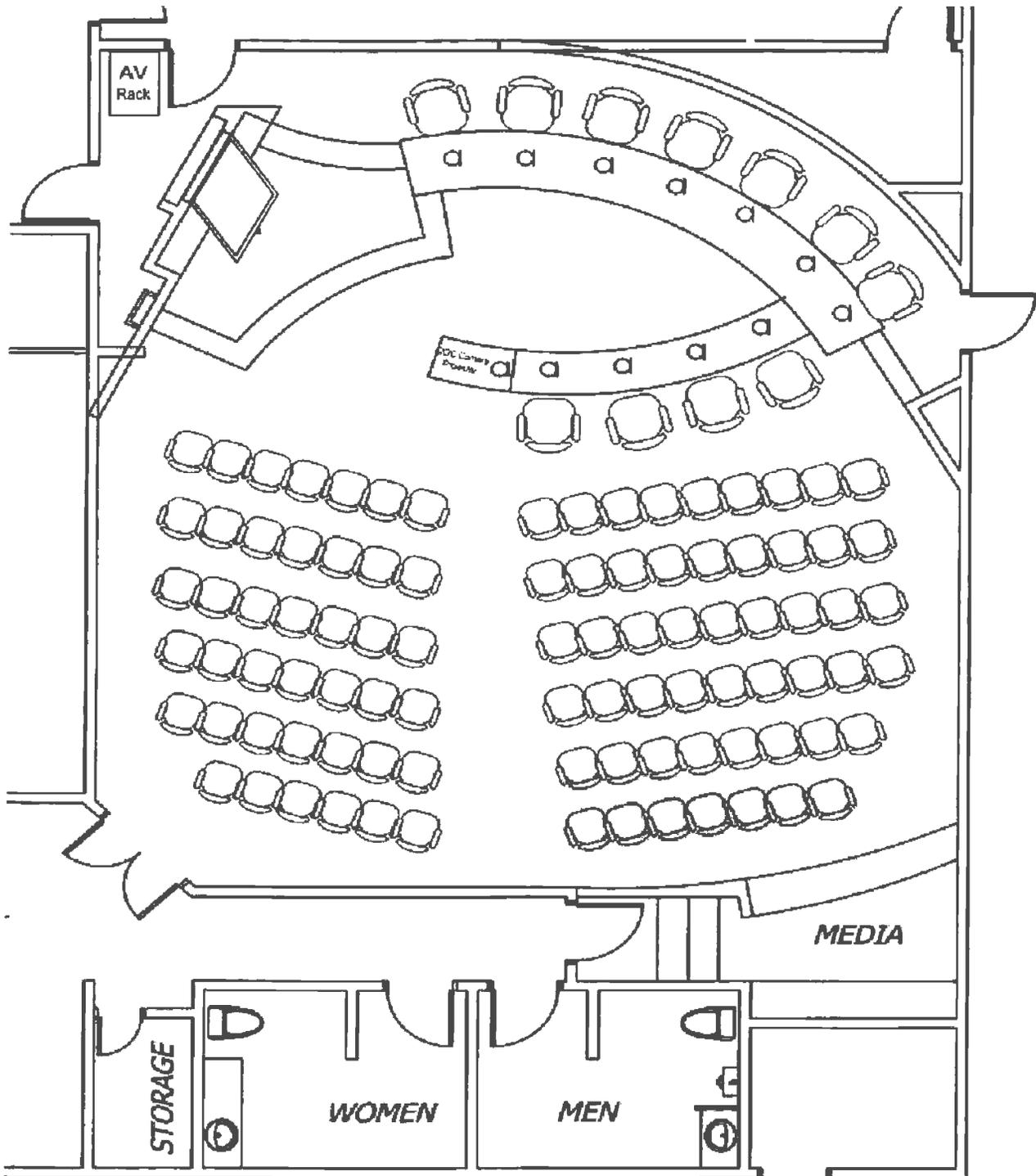
IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE SENIOR BUILDING INSPECTOR OR THE RISK MANAGER AT (760) 346-2489. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING. 128 CFR 35.102.35.104 ADA TITLE III

AFFIDAVIT OF POSTING

I, Anna Grandys, certify that on May 15, 2015, I caused to be posted a notice of a Indian Wells Housing Authority Meeting to be held on Thursday, May 21, 2015 at 3:00 p.m. in the City Hall Council Chambers.

Notices were posted at Indian Wells Civic Center, Village 1 [Ralph's], and Indian Wells Plaza [Indian Wells Chamber of Commerce].


Anna Grandys, Chief Deputy Authority Secretary



Special Housing Authority Meeting Minutes

Thursday, November 6, 2014

9:30 a.m.

City Hall Council Chambers at
44-950 Eldorado Drive, Indian Wells



Indian Wells Villas

WELCOME TO A SPECIAL MEETING OF THE HOUSING AUTHORITY. ALL PERSONS WISHING TO ADDRESS THE HOUSING AUTHORITY SHOULD FILL OUT A BLUE PUBLIC COMMENT FORM BEFORE THE MEETING BEGINS, AND GIVE IT TO THE AUTHORITY SECRETARY. WHEN THE CHAIR HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS CUSTOMARY. PLEASE NOTE THAT YOU MAY ADDRESS THE HOUSING AUTHORITY ON AN AGENDA ITEM AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE CHAIR. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS DURING NORMAL BUSINESS HOURS.

1. CONVENE THE HOUSING AUTHORITY AND ROLL CALL

Chair Mertens convened the Housing Authority Meeting of the City of Indian Wells at 9:30 a.m. on November 6, 2014 in the City Hall Council Chambers.

A motion was made by Vice Chair Peabody, seconded by Commissioner Roche to Excuse Commissioner Patrick Mullany from today’s meeting. The motion passed by the following vote 6-0-1.

AYES: 6 – Mertens, Peabody, Hanson, Roche, Mitchell and Fletcher
NOES: 0 – None
EXCUSED: 1 - Mullany

PRESENT: 6 – Chair Ted Mertens, Vice Chair Ty Peabody, Commissioner Douglas Hanson, Commissioner Roche, Commissioner Bob Mitchell and Commissioner Bobbi Fletcher
EXCUSED: 1 - Mullany

2. APPROVAL OF THE FINAL AGENDA

A motion was made by Vice Chair Peabody, seconded by Commissioner Roche to Approve the Agenda as Submitted. The motion carried by the following vote 6-0-1:

AYES: 6 – Mertens, Peabody, Hanson, Roche, Mitchell and Fletcher
NOES: 0 – None
EXCUSED: 1 – Mullany

3. APPROVAL OF MEETING MINUTES

A. September 18, 2014 Special Meeting Minutes.

A motion was made by Vice Chair Peabody, seconded by Commissioner Fletcher to Approve the Minutes as Submitted. The motion carried by the following vote 6-0-1:

AYES: 6 – Mertens, Peabody, Hanson, Roche, Mitchell and Fletcher
NOES: 0 – None
EXCUSED: 1 – Mullany

4. PUBLIC COMMENTS

Ms. Shirley Rawega spoke.

5. CONSENT CALENDAR

A. Housing Warrant and Demands.

IT WAS DETERMINED TO **APPROVE** THE OCTOBER 2, 2014 AND NOVEMBER 6, 2014 HOUSING WARRANTS AND DEMANDS.

THIS MATTER WAS APPROVED ON THE CONSENT CALENDAR.

PASSED THE CONSENT AGENDA. A MOTION WAS MADE BY VICE CHAIR PEABODY, SECONDED BY CHAIR MERTENS, INCLUDING THE PRECEDING ITEM MARKED AS HAVING BEEN APPROVED ON THE CONSENT AGENDA. THE MOTION CARRIED BY THE FOLLOWING VOTE 5-1-1:

AYES: 5 – Mertens, Peabody, Hanson, Roche, and Mitchell

NOES: 1 – Fletcher

EXCUSED: 1 – Mullany

6. GENERAL BUSINESS

A. Approve Agreement with Best Best & Krieger, LLP for General Legal Counsel Services.

IT WAS DETERMINED TO **APPROVE** AN AGREEMENT WITH BEST BEST AND KRIEGER, LLP FOR GENERAL COUNSEL SERVICES FOR THE HOUSING AUTHORITY; AND

APPROVE SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$65,000 FOR FISCAL YEAR 2014-15 FOR SAME.

A motion was made by Vice Chair Peabody, seconded by Commissioner Mitchell to Approve the Motion as Submitted. The motion carried by the following vote 6-0-1:

AYES: 4 – Mertens, Peabody, Mitchell and Fletcher

NOES: 1 – Hanson

ABSTAIN: 1 - Roche

EXCUSED: 1 – Mullany

B. Discussion and Direction Regarding Indian Wells Villas and Mountain View Villas Residency Preference Policy.

Commissioners Fletcher and Mitchell stated they support the preference category for Indian Wells residents for the two housing complexes.

It was determined to have the Assistant to the City Manager David Gassaway and City Attorney Deitsch meet with Commissioners Fletcher and Mitchell to discuss their concerns; and

to CONTINUE this matter to a subsequent Housing Authority study session in January 2015 to further discuss the Indian Wells Villas and Mountain View Villas Residency Preference Policy and other issues of concern relating to this subject.

A motion was made by Commissioner Hanson, seconded by Commissioner Mitchell, to Approve the Motion as Submitted. The motion carried by the following vote 5-0-1:

AYES: 5 – Mertens, Peabody, Hanson, Mitchell and Fletcher

ABSTAIN: 1 - Roche

EXCUSED: 1 – Mullany

7. EXECUTIVE DIRECTOR’S REPORT/COMMENTS AND MATTERS FROM STAFF

No reports.

8. COMMISSIONERS’ REPORTS AND COMMENTS

No reports.

9. ADJOURNMENT

TO A REGULAR MEETING OF THE INDIAN WELLS HOUSING AUTHORITY TO BE HELD AT 1:00 P.M. ON DECEMBER 18, 2014 IN THE CITY HALL COUNCIL CHAMBERS.

RESPECTFULLY SUBMITTED,

WADE G. MCKINNEY, EXECUTIVE DIRECTOR

Indian Wells Housing Authority Meeting Minutes

Thursday, December 18, 2014
10:30 AM
City Hall Council Chambers

Unofficial



WELCOME TO A REGULARLY SCHEDULED MEETING OF THE INDIAN WELLS HOUSING AUTHORITY. ALL PERSONS WISHING TO ADDRESS THE HOUSING AUTHORITY SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS AND HAND IT TO THE AUTHORITY SECRETARY. WHEN THE CHAIRMAN HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE HOUSING AUTHORITY ON AN AGENDA ITEM LISTED ON THE MEETING AGENDA AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE CHAIRMAN. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

1. CONVENE THE INDIAN WELLS HOUSING AUTHORITY, AND ROLL CALL

Chair Peabody convened the Housing Authority Meeting of the City of Indian Wells at 10:30 a.m. on December 18, 2014 in the City Hall Council Chambers.

Present 7 - Chairman Ty Peabody, Vice Chairman Dana Reed, Commissioner Richard Balocco, Commissioner Douglas Hanson, Commissioner Ted Mertens, Commissioner Bobbi Fletcher, and Commissioner Bob Mitchell

2. APPROVAL OF THE FINAL AGENDA

A motion was made by Vice Chairman Reed, seconded by Commissioner Balocco, that this be Approved. The motion carried by the following vote:

AYES 7 - Peabody, Reed, Balocco, Hanson, Mertens, Fletcher, Mitchell
NOES 0

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

Commissioner Hanson pulled item #A for discussion.

B. Approve Assignment and Assumption of Housing Assets by the City of Indian Wells Housing Authority

It was determined to APPROVE Assignment and Assumption of Housing Assets from the Successor Agency to the City of Indian Wells Housing Authority.

This Recommendation was Approved.

Approval of the Consent Agenda

A motion was made by Vice Chairman Reed, seconded by Commissioner Mertens, to Approve the Consent Agenda. The motion carried by the following vote:

AYES 7 - Peabody, Reed, Balocco, Hanson, Mertens, Fletcher, Mitchell
NOES 0

A. Approve Agreement with MSA Consulting, Inc. for Civil Design and Survey Services Related to Proposed Miles Avenue Parking Lot

Chief Deputy City Clerk Grandys stated Exhibit "C" for Consent Calendar #4A, MSA Consulting, Inc., was not part of the agenda packet but has been distributed at the Dais and Ms. Grandys further explained the contents of Exhibit "C" and stated that information was also in the staff report for that agenda item.

Commissioner Hanson questioned Public Works Director Ken Seumalo regarding the agreement, its amounts and what it entailed as well as the timely processing of the warrants under the Housing Authority jurisdiction.

It was determined to APPROVE the Professional Services Agreement with MSA Consulting, Inc. for planning, environmental, civil design and survey services in the amount of \$41,500 for the proposed Miles Avenue parking lot project; and

AUTHORIZES and DIRECTS the Executive Director to execute the same; and

AUTHORIZES and DIRECTS staff to process payment and distribute checks in-between quarterly Housing Authority meetings for MSA Consulting, Inc.

A motion was made by Commissioner Hanson, seconded by Commissioner Balocco, that this Recommendation be Approved. The motion carried by the following vote:

- AYES 7 - Peabody, Reed, Balocco, Hanson, Mertens, Fletcher, Mitchell
- NOES 0

5. GENERAL BUSINESS

A. Presentation of Findings for Improved Senior Housing Property Management and Housing Authority Oversight and Direction on Alternatives

Mr. Bruce Underwood, resident, suggested the Board Authority meet more often rather than on a quarterly basis as well as hiring a liaison from the people to owners of those properties and lastly a resident's council who elect from their group.

It was determined to RECEIVE and File presentation of findings for improved senior housing property management and Housing Authority oversight.

A motion was made by Vice Chairman Reed, seconded by Commissioner Hanson, that this Recommendation be Approved. The motion carried by the following vote:

- AYES 7 - Peabody, Reed, Balocco, Hanson, Mertens, Fletcher, Mitchell
- NOES 0

B. Receive and File Revised Landlord/Tenant Lease Agreement for Indian Wells Villas and Mountain View Villas

Commissioner Bobbi Fletcher questioned various aspects of the proposed Lease Agreement and the attachments to the Lease Agreement.

Mr. Voda, questioned whether there is a new lease and are there any differences between current and new lease. Assistant to the City Manager Gassaway responded to Mr. Voda's questions and commended Mr. Gassaway for a good job.

Ms. Dottie Wylder, prospective tenant to the City's affordable housing, stated it is very difficult to obtain consistent information as to the deposit amount and income levels. Mr. Gassaway explained where the City is currently with determining rents paid, income levels and coinciding units.

It was determined to RECEIVE and FILE revised Landlord/Tenant Lease Agreement for Indian Wells Villas and Mountain View Villas.

A motion was made by Commissioner Hanson, seconded by Vice Chairman Reed, that this Recommendation be Approved. The motion carried by the following vote:

AYES 5 - Peabody, Reed, Balocco, Hanson, Mertens
 NOES 1 - Mitchell
 ABSTAIN 1 - Fletcher

C. Approve Contract Extension with Hyder Management Professionals for Interim Management Services for a Period of Six Months

It was determined to APPROVE a professional services agreement extending the interim management services provided by Hyder Management Professionals for a period of six months.

A motion was made by Commissioner Mertens, seconded by Commissioner Balocco, that this Recommendation be Approved. The motion carried by the following vote:

AYES 6 - Peabody, Reed, Balocco, Hanson, Mertens, Mitchell
 NOES 0
 ABSTAIN 1 - Fletcher

6. EXECUTIVE DIRECTOR'S COMMENTS AND MATTERS FROM STAFF

No report.

7. COMMISSIONERS' COMMENTS

Commissioner Hanson inquired as to General Counsel's Deitsch's attorney fees were \$35,000 for the Housing Authority and the new agreement and what is anticipated with Mr. Deitsch stating he anticipates being within the \$65,000 budget.

8. ADJOURNMENT

To a regularly scheduled meeting of the Indian Wells Housing Authority to be held at 1:30 p.m. on March 19, 2015 in the City Hall Council Chambers.

Respectfully submitted,

Wade G. McKinney, Executive Director

Special Housing Authority Meeting Minutes

Thursday, January 8, 2015

11:00 AM

City Hall Council Chambers

Unofficial



WELCOME TO A REGULARLY SCHEDULED MEETING OF THE INDIAN WELLS HOUSING AUTHORITY. ALL PERSONS WISHING TO ADDRESS THE HOUSING AUTHORITY SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS AND HAND IT TO THE AUTHORITY SECRETARY. WHEN THE CHAIRMAN HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE HOUSING AUTHORITY ON AN AGENDA ITEM LISTED ON THE MEETING AGENDA AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE CHAIRMAN. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

1. CONVENE THE INDIAN WELLS HOUSING AUTHORITY, AND ROLL CALL

Chair Peabody convened the Housing Authority meeting of the City of Indian Wells at 11:03 a.m. on January 8, 2015 in the City Hall Council Chambers.

Present 7 - Chairman Ty Peabody, Vice Chairman Dana Reed, Commissioner Richard Balocco, Commissioner Douglas Hanson, Commissioner Ted Mertens, Commissioner Bobbi Fletcher, and Commissioner Bob Mitchell

2. APPROVAL OF THE FINAL AGENDA

A motion was made by Vice Chairman Reed, seconded by Commissioner Balocco, to Approve the Agenda as Submitted. The motion carried by the following vote:

AYES 7 - Peabody, Reed, Balocco, Hanson, Mertens, Fletcher, Mitchell

NOES 0

3. PUBLIC COMMENTS

Ms. Dottie Wilder, Rancho Mirage resident, stated affordable housing applicants are falsely using Indian Wells address to apply, and inconsistent information is being provided by the management company to the applicants.

Ms. Virginia Goettelman, Villas resident, thanked the Assistant to the City Manager for making frequent visits to both residential communities to speak with the residents, and that residents should make formal complaints to the management company on eligibility of individual residents rather than discussing it during coffee hour at the clubhouse.

Ms. Stacey Maye, resident, stated she placed her mother on the waiting list and feels it is a moving target. Ms. Maye further stated the ability to reside at either of the two affordable housing sites is a privilege of living in Indian Wells.

4. GENERAL BUSINESS

A. Discussion and Decision Regarding Indian Wells Villas and Mountain View Villas Residency Preference Policy

A motion was made by Commissioner Mitchell to postpone any decision on the issue of the Indian Wells preference until until the US Supreme Court rules on preference case.

Commissioner Hanson aksed if Commissioner Mitchell would amend his motion to hold off on changes to the the preference list until the court ruling to include in the interim fill the 16 vacancies using the existing policy, and for staff to provide the Authority the current waiting lists and to set-up an administrative procedure dealing with the list and address the concerns raised.

Commissioner Mertens stated he would feel more comfortable with Commissioner Mitchell's motion if the motion was amended to include filling the existing vacancies with Coachella Valley preference instead of Indian Wells preference.

Commissioner Mitchell restated his motion to keep the existing policies as they are with the Indian Wells preference until Supreme Court decides the issue. Commission Hanson seconded that motion.

Vice Chair Reed made a substitute motion to to postpone any decision on the issue of the Indian Wells preference until until the US Supreme Court rules on preference case, and in the interim fill the 16 vacancies using the Coachella Valley preference.

A motion was made by Vice Chairman Reed, seconded by Commissioner Mertens, that this substitute motion be Approved. The motion failed by the following vote:

AYES 2 - Reed, Mertens

NOES 5 - Peabody, Balocco, Hanson, Fletcher, Mitchell

It was determined to postpone any action on the issue of the Indian Wells preference until such time as the US Supreme Court rules on the preference case, and to fill the vacancies with the existing policy.

A motion was made by Commissioner Hanson, seconded by Vice Chairman Reed, that this Recommendation be Approved. The motion carried by the following vote:

AYES 5 - Peabody, Balocco, Hanson, Fletcher, Mitchell

NOES 2 - Reed, Mertens

It was determined to APPROVE the allowance of Section 8 Voucher funding for the two affordable housing sites.

A motion was made by Commissioner Mitchell, seconded by Commissioner Hanson, that this Recommendation be Approved. The motion carried by the following vote:

AYES 7 - Peabody, Reed, Balocco, Hanson, Mertens, Fletcher, Mitchell
NOES 0

B. Authorize and Direct Payment of Invoice to Adam Hall Plant Nursery for Plant Materials Along Highway 111 Adjacent to Mountain View Villas

It was determined to AUTHORIZE and DIRECT payment of invoice to Adam Hall Plant Nursery for plant materials along Highway 111 adjacent to Mountain View Villas in the amount of \$9,116.

A motion was made by Commissioner Mertens, seconded by Commissioner Balocco, that this Recommendation be Approved. The motion carried by the following vote:

AYES 7 - Peabody, Reed, Balocco, Hanson, Mertens, Fletcher, Mitchell
NOES 0

5. EXECUTIVE DIRECTOR'S COMMENTS AND MATTERS FROM STAFF

None.

6. COMMISSIONERS' COMMENTS

Commissioner Fletcher asked if there would be any Board oversight of how the waiting list was developed. Commissioner Mertens stated staff would confirm the veracity of the list.

7. ADJOURNMENT

At 12:27 p.m. Chair Peabody ADJOURNED to a regularly scheduled meeting of the Indian Wells Housing Authority to be held at 1:00 p.m. on March 19, 2015 in the City Hall Council Chambers.

Respectfully submitted,

Wade G. McKinney, Executive Director

Special Housing Authority Meeting Minutes

Friday, February 6, 2015
10:15 AM

City Hall Council Chambers/Executive Conference Room

Unofficial



WELCOME TO A REGULARLY SCHEDULED MEETING OF THE INDIAN WELLS HOUSING AUTHORITY. ALL PERSONS WISHING TO ADDRESS THE HOUSING AUTHORITY SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS AND HAND IT TO THE AUTHORITY SECRETARY. WHEN THE CHAIRMAN HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE HOUSING AUTHORITY ON AN AGENDA ITEM LISTED ON THE MEETING AGENDA AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE CHAIRMAN. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

CONVENE THE INDIAN WELLS HOUSING AUTHORITY, AND ROLL CALL

Chair Peabody convened the Housing Authority Meeting of the City of Indian Wells at 10:18 a.m. on February 6, 2015 in the City Hall Executive Conference Room.

A motion was made by Vice Chairman Reed, seconded by Chairman Peabody, to Excuse Commissioner Balocco from today's meeting. The motion passed by the following vote:

Present 6 - Chairman Ty Peabody, Vice Chairman Dana Reed, Commissioner Douglas Hanson, Commissioner Ted Mertens, Commissioner Bobbi Fletcher, and Commissioner Bob Mitchell

Excused 1 - Commissioner Richard Balocco

A motion was made by Vice Chairman Reed, seconded by Chairman Peabody, to Approve the Excusal. The motion carried by the following vote:

AYES 6 - Peabody, Reed, Hanson, Mertens, Fletcher, Mitchell

NOES 0

EXCUSED 1 - Balocco

2. APPROVAL OF THE FINAL AGENDA

It was the CONSENSUS to Approve the Agenda as Submitted.

3. PUBLIC COMMENTS

None.

4. CLOSED SESSION

Chair Peabody stated the Housing Authority would hold a Closed Session to discuss the following item.

- A. Conference with Legal Counsel Regarding Existing Litigation, Pursuant to Government Code Section 54956.9(d)(1): Michael Ydigoras v. City of Indian Wells, et. al., California Superior Court, Riverside County, Case No. PSC 1500579.**

At 10:58 a.m. City Attorney Stephen Deitsch stated no action was taken which, under the Brown Act, would be required to be publicly reported.

5. ADJOURNMENT

At 10:59 a.m. Chair Peabody ADJOURNED to a regularly scheduled meeting of the Indian Wells Housing Authority to be held at 1:00 p.m. on March 19, 2015 in the City Hall Council Chambers.

Respectfully submitted,

Wade G. McKinney, Executive Director

Sp
 CC/HA ACTION _____ MTG. DATE: 5-21-15
 APPROVED DENIED _____ REC/FILE _____ CONT. _____
 OTHER as amended at mtg.
 VOTE: YES 5 NO 1 ABSTAIN 1
 Balocco Hanon
 May 21, 2015

Indian Wells Housing Authority
Staff Report – Housing Authority

Award Three Year Agreement to Winn Residential to Provide Management Services for Indian Wells Villas and Mountain View Villas

RECOMMENDED ACTIONS:

Housing Authority **AWARDS** a three (3) year management services agreement to Winn Residential for the management of day-to-day operations of the Indian Wells Villas and Mountain View Villas Senior Affordable Housing properties; and

AUTHORIZES and **DIRECTS** the Executive Director to execute said agreement.

REPORT-IN-BRIEF:

In March of 2015, Housing Authority released a Request for Proposals (“RFP”) to solicit qualified firms for a management services agreement to manage the day-to-day operations of the Indian Wells Villas and Mountain View Villas (“Properties”). Housing Authority received six (6) proposals from qualified firms in response to the RFP.

A panel of housing professionals from the cities of Rancho Mirage, La Quinta, and Indian Wells (“Panelists”) reviewed the proposals and scored them against criteria provided in the RFP. The top three (3) scoring firms made presentations to tenants of both Properties who provided feedback on a preferred provider. In addition, the Panelists interviewed each firm to provide feedback on a preferred provider.

Based on proposal review, tenant feedback, and Panelist interviews, Housing Authority Staff recommends authorization to the Executive Director to enter into contact with Winn Residential for management services at the Properties for a term of three (3) years.

DISCUSSION:

Background:

In May of 2014, Housing Authority entered into contract with Hyder Property Management Professionals (“Hyder”) under an interim contract to manage the day-to-day operations of the Properties. Hyder received an interim contract extension in

December of 2014, through June 30, 2015, to allow for a competitive process to solicit proposals from qualified firms for a longer-term contract.

RPF Review

In response to the RFP (**Attachment 1**), Staff received proposals from six (6) qualified firms. The Panelists reviewed and scored each proposal on the following criteria:

Evaluation Criteria		Weighting (Max. Points)
1	<u>Firm's Experience:</u> Including size of portfolio, number of years firm has been in business, amount, and length of experience working with affordable housing and specialized compliance areas; years of experience of key organizational staff; familiarity with the Coachella Valley and area properties; and professional references provided regarding past performance.	20
2	<u>Firm's Capacity:</u> Longevity of staff, training programs provided for staff, operating policies and personnel procedures, financial reporting and compliance capabilities, accounting procedures, and cost management/control abilities, and procedures.	20
3	<u>Demonstrated Understanding of "Indian Wells Quality":</u> Communication strategies/procedures, tenant outreach process, tenant dispute resolution process, rules and regulation enforcement procedures, social service, and activities development.	20
4	<u>Firm's Availability:</u> Key staff location and accessibility, firm's ability to fill positions at the Properties by contract initiation date, organizational hierarchy, and grievance procedures.	15
5	<u>Maintenance Ability:</u> Maintenance procedures, capital improvement/replacement planning process, cost controls, and subcontracts.	15
6	<u>Cost:</u> Property Management firm will be compensated based on the fee structure presented in proposal (Housing Authority reserves right to negotiate and/or modify fee structure).	10
TOTAL		100

Based on the evaluation criteria, the Panelists scored each firm based on how well their proposal responded to the RFP. An average score from all three Panelists was calculated to determine the top three most responsive proposals. The average score for each firm was as follows:

Score Rank	Firm	Average
1	Winn Residential	76.00
2	AWI Management Corporation	74.00
3	Hyder Property Management Professionals	64.00
4	RPM Company	62.67
5	Solari Enterprises, Inc.	44.00
6	The John Stewart Company	40.67

On May 5, 2015, the top three scoring firms, Winn Residential, AWI Management Corporation, and Hyder Property Management Professionals presented at each of the two Properties, and interviewed in-person with the Panelists.

Tenants of the Properties provided feedback on the presentations from all three firms. A scoring sheet (**Attachment 2**) provided to tenants helped to guide evaluation based on five (5) of the criteria categories (cost excluded). Average scores from the tenant feedback forms are as follows:

	Mountain View Villas			Indian Wells Villas		
	Winn	AWI	Hyder	Winn	AWI	Hyder
Total Average Score	52.63	36.71	37.87	43.26	46.76	36.06
Residents Yes Vote of Confidence in the Firm	32	15	22	11	18	22
Residents No Vote of Confidence in the firm	2	19	25	6	6	12

Based on the feedback provided by residents in attendance at both properties, the rank order score would be:

Mountain View Villas: 1st Winn; 2nd Hyder; 3rd AWI

Indian Wells Villas: 1st AWI; 2nd Winn; 3rd Hyder

The in-person interview with Panelists focused on a series of questions to determine each firm's understanding of resident interests, staffing philosophy, communication expectations, waiting list procedures, and on-site (property) staff training. The Panelists then ranked each firm. The result of the Panelists' interviews are as follows:

	1st	2nd	3rd
Panelist 1	Winn	AWI	Hyder
Panelist 2	Winn	Hyder	AWI
Panelist 3	AWI	Hyder	Winn

Average Ranking

Below are the average rank received by each firm in each aspect of the RFP process:

	Proposal Rank	IWV Rank	MVV Rank	Panelist 1 Rank	Panelist 2 Rank	Panelist 3 Rank	AVERAGE RANK
Winn	1	2	1	1	1	3	1.5
AWI	2	1	3	2	3	1	2
Hyder	3	3	2	3	2	2	2.5

Based on the review process, Staff recommends awarding a Management Services Agreement to Winn Residential (**Attachment 3**). The contract will provide Winn Residential three (3) years for day-to-day operational management of the properties, with an option to extend the contract up to an additional three (3) years, for a possible six (6) year maximum. Winn will have annual reviews and any decision to extend the Agreement up to the additional three (3) years will be made at a public meeting of the Housing Authority Board prior to end of the initial three (3) year contract term.

FISCAL IMPACT:

Winn Residential’s management fee structure is a set at a per door (unit) amount for each month of the year.

Dollar-per-unit Fee	\$40 x 218 units	=	8,720 per month
Total Annual Fee	\$8,720 x 12 months	=	104,640 per year

The fee for services is set as a not to exceed amount of \$104,640 for the first three (3) year term of the agreement. Any fee increase will require negotiation by Housing Authority should Winn’s contract be extended beyond the first three (3) year term, based on performance. Staffing costs will include annual increases in the Housing Authority budget to cover cost increases of benefits such as health insurance, workers compensation insurance, etc.

In addition to a fee for services, Winn Residential will pass-through all direct costs related to staffing and operations of the Properties. The staffing breakdown proposed by Winn is a not to exceed amount, per position annually as follows:

Staffing Cost	Position
\$44,000	IWV property manager
\$44,000	MVV property manager
\$31,200	Asst. property manager
\$39,520	Maintenance superintendent
\$62,400	2 Maintenance technicians
\$30,000	Activities coordinator
\$247,120	TOTAL SALARY

Also, the cost for benefits is between 39% and 57% of the salary, for an additional \$97,000 to \$142,000. This puts total payroll cost estimates at approximately:

\$344,120	Total Salary & Benefits low estimate
\$389,120	Total Salary & Benefits high estimate

Operational pass-through costs include annual licensing for a property management software system, Yardi, which will cost approximately \$6,000 per year. The management fee, software licensing, and staffing cost structure results a total Housing Authority annual expenditure of somewhere between \$454,760 and \$499,760. All fees and staffing costs are directly paid from rents received at the Properties and do not impact the Housing Authority's General Fund.

Finally, Housing Authority should expect some minor unexpected startup and transition costs as Winn takes over the property that should not exceed \$10,000.

ATTACHMENTS:

1. Request for Proposals for Senior Affordable Housing Property Management Services
2. Tenant Feedback Form Sample
3. Contract Abstract
4. Management Services Agreement



INDIAN WELLS
CALIFORNIA

REQUEST FOR PROPOSALS

**SENIOR AFFORDABLE HOUSING PROPERTY
MANAGEMENT SERVICES**

Issue Date: Friday, March 6, 2015

Proposals Due: Monday, April 6, 2015 by 5 p.m.

Issued by:

City of Indian Wells Housing Authority
44-950 Eldorado Drive
Indian Wells, CA 92210



REQUEST FOR PROPOSALS

SENIOR AFFORDABLE HOUSING PROPERTY MANAGEMENT SERVICES

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CITY OF INDIAN WELLS HOUSING AUTHORITY

Senior Affordable Housing Property Management Services

I. INTENT

City of Indian Wells Housing Authority (herein "Housing Authority") is soliciting proposals from qualified property management firms to enter into an Agreement for comprehensive Senior Affordable Housing Property Management Services (herein "Services").

Respondent(s) shall have strong property management experience and at least 500 affordable housing units under programs such as Low Income Tax Credit ("LITC"), Section 8 Housing Choice Voucher (HCV), and HOME Programs.

This Request for Proposal ("RFP") has the following objectives:

- Establish a comprehensive, competitive solicitation for an Agreement for Services at the Indian Wells Villas and Mountain View Villas ("Properties").
- Achieve high quality, cost effective Services.
- Detail expectations for Services at the Properties.

Evaluation of Proposals

Both Housing Authority staff and a panel of tenants from the Properties will conduct proposal evaluation. Evaluation will be in accordance with, and subject to, the relevant statutes, ordinances, rules and regulations that govern Housing Authority practices.

Respondents(s) that affirmatively meet minimum qualifications and offer a fully responsive proposal will be eligible for contract award. Housing Authority additionally reserves the right to make no award from this Request for Proposal process.

The Housing Authority Board of Commissioners will make the final decision as to the firm to contract for Services.

II. INTRODUCTION

The Housing Authority is a housing successor entity resulting from the elimination of Community Redevelopment Agencies in 2012. Housing Authority owns 218 affordable housing units located at two Properties: Indian Wells Villas and Mountain View Villas.

In May 2014, Housing Authority terminated a thirty-five (35) year lease agreement for management services with National Community Renaissance. Since then, Hyder Property Management Professionals ("Hyder") has provided Services on an interim basis. Hyder's interim Services agreement terminates June 30, 2015. The property management company awarded the contract from

this RFP is expected to transition to operational control of the Properties starting July 1, 2015. Hyder has stated interest in, and is expected to be, a respondent to this RFP.

Both Housing Authority Properties are income restricted senior housing. A brief overview of each property:

Indian Wells Villas

Developed in 1997, Indian Wells Villas houses 90 single bedroom senior apartments, one of which is reserved for on-site management. Income restrictions are:

	50% AMI	80% AMI	120% AMI
Unit Count	31	38	20

Mountain View Villas

Developed in 2004, Mountain View Villas houses 128 total units, with a mix of one and two bedroom units. Two units are reserved for on-site management. Income restrictions are:

	50% AMI	80% AMI	120% AMI
Unit Count	83	18	25

Exhibits E and F provide the recorded Regulatory Agreements and Restrictive Covenants for the Properties.

III. BOARD & ADMINISTRATIVE PERSONNEL

The powers of the City of Indian Wells Housing Authority are vested in a Board of Commissioners. The Board of Commissioners comprises the five City of Indian Wells City Council Members, plus two appointed representatives from the Properties. All legal authority in creating guiding legislation regarding the Properties is vested in the Board.

City of Indian Wells City Manager Wade McKinney is the Housing Authority Chief Executive Officer. The Chief Executive Officer is responsible with implementation and administration of policies adopted by the Board.

V. RFP INSTRUCTIONS

a. Contact Information

Housing Authority personnel contact is:

David Gassaway, Assistant to the City Manager
44-950 Eldorado Drive
Indian Wells, CA 92210
760-776-0247
dgassaway@indianwells.com

1. RFP Submission and Format

Proposals packages shall be submitted to the Housing Authority on or before Monday, April 6, 2015 at **5:00 p.m. (PST)** in the format outlined below. **Late submittals will not be accepted.** **One** wet-ink original proposal, and two copies, must be delivered to City Hall in a sealed envelope. One electronic copy of the Proposal must be e-mailed to Housing Authority contact listed above. Both portions must be received by the stated deadline. Proposal packages received after the stated deadline will not be accepted.

Proposals should be typed, single-spaced with 1" margins, with consecutively numbered pages.

Proposals must include all of the following:

- Identification of the company or individual(s) including name, address, telephone number, fax number, and e-mail address (contact form p.19).
- Name, title, address and telephone number of contact person during the evaluation period.
- Must address all requirements pertaining to the Scope of Work as presented in Exhibit A.
- Include in the bottom left hand corner, "RFP for Senior Affordable Housing Property Management Services".

All Proposals will become property of the Housing Authority upon submission.

c. RFP Terms and Conditions

The Housing Authority reserves the right to select one, more than one, or none of Respondent Proposals. Housing Authority further reserves the

right to defer selection of any Respondent(s) to a time of the Housing Authority's choosing. All Proposals for Services shall be good for One Hundred and Twenty (120) days from Proposal(s) due date.

d. Board and Staff Communications

Under no circumstances may any entity intending to submit a proposal to this RFP contact any member of the Housing Authority Board of Commissioners, or any City staff member other than the contact specified in Section V. Failure to comply with this request will result in disqualification. All questions should be in writing and directed to the personnel contact listed in Section V of this RFP.

e. Timetable

<u>Event</u>	<u>Date</u>
Request for Proposal Released	March 6, 2015
Formal Questions Due	March 20, 2015 by 5:00 p.m.
Question Responses Posted	March 25, 2015
Proposals Due	April 6, 2015 by 5:00 p.m.
Evaluation Process/Interviews	April 13 – May 1, 2015
Board Approval	May 2015
Contract Start Date	July 1, 2015

If you have questions regarding this proposal, you must submit them in writing to dgassaway@indianwells.com no later than **5:00p.m. (PST) on March 20, 2015.**

Responses to all appropriately submitted questions will be posted on the City of Indian Wells website, www.cityofindianwells.org, on or before **March 25, 2015.**

f. Release of Information

The Housing Authority will not release proposals submitted in response to this RFP during the proposal evaluation process. All Proposals and evaluations will be made public with recommendation to the Housing Authority Board of Commissioners for contract with candidate Respondent(s) that have been selected.

g. Proprietary Information

Respondent is required to identify all proprietary information in its response that Respondent wishes to remain confidential. If respondent fails to identify proprietary information, it agrees by submission of its response that those sections shall be deemed non-proprietary and may be made available upon public request after a contract award.

h. Term of Contract

The Housing Authority intends to award contract for Services as follows:

The term of the anticipated contract period resulting from this RFP is for three (3) base years, beginning July 1, 2015, and expiring June 30, 2018. Following the initial term of the contract, Housing Authority may opt to renew the contract for up to three (3) until June 30, 2018. Contract extension shall be exercised contingent upon satisfactory performance.

The Housing Authority may award the contract at a time other than that stated in the Timetable. Housing Authority additionally reserves the right to modify duration of the contract or change the contract start and end dates, but in no case will the contract exceed the maximum renewal period.

i. Housing Authority Reserves the Right to:

1. Request an oral interview with, and additional information from, Respondents prior to final selection.
2. Consider experience and qualifications information about listed individuals involved in direct property management operations in addition to the information submitted in the response or interview.
3. Reject any and all responses and waive any irregularities.

VI. REQUIRED QUALIFICATIONS AND EXPERIENCE

Only proposals from responsible organizations engaged in the performance of Property Management Services will be considered. Proposals must clearly demonstrate competency in performing comparable on-site Services, financial resources sufficient to provide Services, and personnel adequate to manage Property. Respondents must provide contact information for references, as well as background on the services provided to those clients detailing how they were similar in type and scope. Qualifications and experience must include, as a minimum:

a. Organizational and Personnel Background:

Provide a brief history and overview of your Property Management Company, its business structure (LLC, Corporation, for profit, non-profit,

etc.), detail qualifications and major organizational strengths. Include organizational chart detailing the various departments, units, and lead staff involved in operations. Detail the management structure you recommend for/at the Properties including lead staff and qualifications.

b. Experience

Discuss your experience serving as a Senior Affordable Housing Property Manager at similar facilities, and experience working with affordable housing regulations (e.g. Low Income Tax Credits (LITC), Section 8 Housing Choice Voucher (HCV), and HOME program,

c. Miscellaneous Discussion Questions

1. Identify the specific individuals who will work with the Housing Authority. Provide their qualifications and experience in this capacity.

2. Describe your understanding of the project Scope of Work, your proposed approach to performing the services, and submit a proposed schedule/timeline.

d. Management Fee:

Detail the breakdown of your fee for Services. Include any flat fees, staffing costs, overhead and profit, and additional applicable costs outside of operational management of the Properties.

The fee for Services may be **decreased** incrementally (if applicable) based on performance score indicators. Exhibit C provides a breakdown of performance score indicators that will be used annually to gauge performance of Services delivered.

- e.** Provide a listing of five (5) references where similar services were performed. The client reference shall include the name of organization, contact person, address, and telephone numbers.

F Equal Opportunity

The Housing Authority requires Respondents to be an Equal Opportunity Employer and fully comply with all government regulations regarding nondiscriminatory employment practices.

VII. RFP REVIEW & SELECTION CRITERIA

Housing Authority staff will conduct an initial review of minimum Proposer qualifications. At the sole discretion of Housing Authority, respondents who meet the minimum Proposer qualifications will then be evaluated equally and objectively by a panel comprised of City staff and Property tenants.

Minimum Proposer Qualifications (pass/fail):

- a. Experience of organization: Have at least five (5) years experience in providing Property Management services for rental properties and/or residential communities at similar sized properties with similar scope of service;
- b. Organizational Capacity: Proof of current management of at least 500 units, which must include Low Income Tax Credit (LITC) property, Section 8 Housing Choice Vouchers (HCV), and HOME Program.
- c. Five (5) references provided for similar services performed within the past five (5) years;
- d. Have no outstanding or pending complaints as determined through the Better Business Bureau, State of California Department of Consumer Affairs, Fair Housing, local law enforcement agencies, and have no unsatisfactory record of performance with any public agency. Provide overview of any current or pending legal suits or cases;
- e. Have the administrative and fiscal capability to provide and manage the proposed services for the Properties.

Selection Factors:

For maximum score, proposals should clearly identify how each criterion is met. Evaluation of responses to this RFP will be based only on the information provided in the proposal and, if applicable, interviews and reference responses.

Housing Authority reserves the right to request additional information or documentation from the firm regarding its submittal documents, personnel, financial viability, or other items in order to complete the selection process.

If a responding firm chooses to provide additional materials beyond those requested, those materials should be included in a separate section of the proposal and clearly marked as additional information outside of proposal requirements.

The following criteria are weighted by a point system of relative importance, with an aggregate total of 100 points. The system will be utilized to evaluate each proposal by the evaluation panel:

Evaluation Criteria		Weighting (Max. Points)
1	<u>Firm's Experience:</u> Including size of portfolio, number of years firm has been in business, amount, and length of experience working with affordable housing and specialized compliance areas; years of experience of key organizational staff; familiarity with the Coachella Valley and area properties; and professional references provided regarding past performance.	20
2	<u>Firm's Capacity:</u> Longevity of staff, training programs provided for staff, operating policies and personnel procedures, financial reporting and compliance capabilities, accounting procedures, and cost management/control abilities, and procedures.	20
3	<u>Demonstrated Understanding of "Indian Wells Quality":</u> Communication strategies/procedures, tenant outreach process, tenant dispute resolution process, rules and regulation enforcement procedures, social service, and activities development.	20
4	<u>Firm's Availability:</u> Key staff location and accessibility, firm's ability to fill positions at the Properties by contract initiation date, organizational hierarchy, and grievance procedures.	15
5	<u>Maintenance Ability:</u> Maintenance procedures, capital improvement/replacement planning process, cost controls, and subcontracts.	15
5	<u>Cost:</u> Property Management firm will be compensated based on the fee structure presented in proposal (Housing Authority reserves right to negotiate and/or modify fee structure).	10
TOTAL		100

After panel review of proposals, the top scoring firms (top 3 scores) will be invited for panel interviews. Interview panel will comprise Housing Authority Staff and tenants. The panel process will result in a recommendation to Housing Authority's Board of Commissioners. The Board of Commissioners will be required to vote for final

approval of acceptance of the winning proposal, and to enter into contract for Services.

Firms chosen for an oral interview will be provided not less than five (5) business days notice, along with the date, time and place for the interviews. Expenses will be the responsibility of the respondent. Preliminary timeframes put interviews in the second half of April, 2015.

IX. RFP CONDITIONS

Cost of the Proposal

Costs incurred by any respondent in the preparation of its response to the RFP are the responsibility of the respondent and will not be reimbursed by the Housing Authority. Respondents shall not include any such expenses as part of their proposals.

Submission Requirements

All proposals shall include all required documentation as listed in Exhibit B: Proposal Check List. Proposals submitted without all required documents may be subject to dismissal for non-completion. Housing Authority reserves the right to request additional documents for clarification purposes. Respondents are encouraged to include the checklist, provided in Exhibit B, in their proposal to ensure all documents have been included.

Clarification of Proposals

The Housing Authority reserves the right to obtain clarifications of any point in a proposal or to obtain additional information necessary for evaluation. Respondent's failure to reply to request(s) for additional information or clarification could result in rejection of the proposal.

Cancellation of the RFP

The Housing Authority reserves the right to cancel this RFP at any time, for any reason, and without liability. Respondents assume the sole risk and responsibility for all expenses connected with the preparation of proposals.

Disputes

In case of any doubt or differences of opinions as to the participation sought hereunder, or the interpretation of the provisions of the RFP, the decision of the Housing Authority shall be final and binding upon all parties.

Americans with Disabilities Act

Proposer must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes.

Law of the State of California

The resulting contract is subject to State of California law, whether substantive or procedural. Additionally, the contract shall apply all statutory, charter and ordinance provisions applicable to public contracts within the City of Indian Wells.

Insurance Requirements

The selected Property Management Company will be required to carry insurance coverages meeting the minimums detailed in Exhibit D.

**EXHIBIT A
SCOPE OF WORK**

Property Management Services

Housing Authority Expectations and Priorities

The Housing Authority views the ongoing operations of the Indian Wells Villas and Mountain View Villas (together referred to as “Properties”) in two facets:

- **Asset Management:** The strategy employed by Housing Authority for sustainable ownership and operations of the Properties in relation to long-term goals as set by the Housing Authority Board of Commissioners. Asset Management refers to operational policies, capital improvements and replacements, and property management and regulatory oversight.
- **Property Management:** Daily operations of the Properties, focused on managing the annual operating budget, property marketing (as necessary), tenant selection procedures and leasing, occupancy status, compliance with affordable housing rules, routine maintenance, and enforcement of rules and regulations.

Housing Authority staff will work to ensure success of asset management. The firm contracted will be dedicated to property management, subject to routine oversight from Housing Authority.

Housing Authority will oversee property management oversight by focusing attention on practices and procedures related to: Site Managers and Supervision, Administrative/Leasing Services, Financial Management and Accounting, Performance Indicators, Regulatory Compliance, and Maintenance and Capital Needs.

Site Managers and Supervision

The selected firm will directly impact the lives and well-being of senior residents at the Properties. Perhaps the single greatest factor ensuring success at the Properties hinges on the quality of staff hired and retained by the Management firm to conduct daily operations on-site. The better proposals demonstrate a firm’s high-quality staffing operation, focused on hiring and retaining top-notch talent for on-site operations, the better the proposing firm will rate.

The selected firm will be responsible for providing staffing levels necessary to ensure proper response to tenant needs while still delivering Housing Authority Scope of Work in a cost effective manner. Current staffing levels at the Properties include:

<u>POSITION</u>	<u># of FTE</u>
Full-time on-site manager at Indian Wells Villas	1
Full-time on-site manager at Mountain View Villas	1
Full-time on-site maintenance superintendent at Mountain View Villas	1
Full-time maintenance staff serving both properties	2
Full-time activities coordinator serving both properties	1
<u>Full-time management assistant serving both properties</u>	<u>1</u>
Total	7

This staffing structure is not a requirement and only provided as an example of current staffing levels. Proposals should detail proposer's recommended staffing plan to deliver Services.

Property manager is required to provide all structures for placement and retention of staffing in compliance with Federal Fair Labor Standards Act and applicable California State labor laws. Employees working the Properties will not be employees of the Housing Authority.

The selected firm is expected to:

1. Focus on a customer service culture and serving the needs of tenants.
2. Provide accountability to the public.
3. Manage the Properties as self-sufficient individual entities.
4. Apply operational policies and procedures in a uniform manner.
5. Ensure compliance with program requirements.
6. Communicate with tenants and Housing Authority staff in a clear and concise manner.
7. Setup and prepare emergency response resources and an implementation plan.

Housing Authority staff will work closely with the site managers of each of the Properties. The site managers must have a clear understanding of the objectives and obligations at each property, and communicate with site employees to share this information. Housing Authority expects supervisors to make frequent site visits and communicate often with site managers and Housing Authority.

Housing Authority expects that employee screening, selection, and training will be systematic and thorough. Formal training in the programmatic details of the Properties must be promptly provided to new employees. Site employees who fail have a long-lasting adverse impact on the overall performance of the property.

Administrative/Leasing Services:

Selected firm must lease units with strict conformance to industry standard practices and regulatory covenants. This ensures prospective tenants are treated fairly, while limiting liability of Housing Authority.

The selected firm is expected to:

8. Utilize HUD standard policies and industry best practices for tenant selection, leasing, rent re/assignment, and vacancy advertisement as needed.
9. Manage waiting list through semi-annual updates of prospective applicants in conformance with Housing Authority tenant selection policies.
10. Produce semi-annual reports detailing number of new applicants, number of dropped applicants, and total for each waiting list.
11. Generate detailed files for evictions, application denials, and social service interventions for seniors unable to live independently.
12. Recommend further improvements to operational practices to improve and refine administrative/leasing services further.

Financial Management and Accounting

Affordable housing properties routinely face long-term challenges with regards to financial sustainability. The property manager expectation is to be proactive to improve financial sustainability of operations. Housing Authority staff will work with the selected firm to develop annual operating and capital improvement project (CIP) budgets. Property manager will be responsible for budget implementation.

The selected firm is expected to:

13. Utilize Housing Authority's standardized chart of accounts.
14. Use a financial software package capable of delivering accrual based accounting reports on a monthly basis.
15. Comply and assist with preparation of an annual fiscal audit focused on compliance with generally accepted accounting procedures (GAAP).
16. Implement proper internal controls for accounts receivable and payable, account reconciliation, security deposits, records retention, electronic backup, and expenditures for services.
17. Act as Housing Authority's fiscal agent for day-to-day operations.
18. Work with Housing Authority staff to ensure the most efficient system of reporting.

Performance Indicators

Housing Authority staff will annually review management operations through a series of performance indicators and create a Performance Indicator Report. Any individual performance Indicator that exceeds listed maximum thresholds may be grounds for a reduction in the management fee paid. The selected firm is expected to:

19. Perform to a budget variance of less than 5% (difference between budget and actual income and expenditures).
20. Keep annual vacancy rate and rent loss due to vacancies under 3%.
21. Keep regulatory compliance findings to less than 20% findings on annually reviewed files.
22. Rank highly on an annual customer service survey of tenants.

Regulatory Compliance

The Properties were developed by the former Redevelopment Agency using only 20% housing set aside funds (no outside funding sources). Both Properties are subject to regulatory agreements and covenants (Exhibits E & F) that require the units be operated as senior affordable housing. The income limits for each property are very low (up to 50% AMI), low (up to 80% AMI), and moderate (up to 120% AMI).

The Housing Authority relies heavily on property management contractors for proper documentation, record keeping, and compliance with regulatory covenants. In order to confirm and ensure compliance with regulatory covenants, Housing Authority staff will conduct the following routine procedures to ensure compliance by the selected property management firm:

23. Perform annual random sample monitoring of income re/certification procedures, files, tenant lease agreements, and rent roll records to verify compliance with income certification requirements.
24. Conduct semi-annual random audit of tenant files to ensure proper records retention for verification of continued income eligibility, occupancy limits, vehicle registration and insurance, etc.
25. Review the prospective tenant waiting list files for compliance with tenant selection policy, applicant verification procedures, and waiting list noticing requirements.
26. Quarterly review rent rolls, and Profit and Loss statements to verify budget variance percentages, rent collections percentages, and vacancy rate.

Maintenance and Capital Needs

Routine maintenance and capital replacement projects are vital to the ongoing success of the Properties. Indian Wells prides itself on being a premier residential community, and our senior affordable housing is no different. To maintain the Properties at the Indian Wells quality, the Housing Authority will take responsibility for performance of capital asset maintenance and management, while the Property Manager will be responsible for routine operational maintenance.

The selected firm is expected to:

27. Ensure cost control without sacrificing quality of maintenance services and contractors performing routine maintenance.
28. Utilize a maintenance request/maintenance tracking system or software program that provides quarterly reports to Housing Authority staff detailing work orders received (date & time), completion (date & time), and hours completed or subcontractors used to complete work.
29. Manage a comprehensive landscaping service contract that provides timely and effective repair and replacement of irrigation systems to ensure landscape vitality.
30. Oversight of subcontracts for services for pest management, electrical systems, trash removal, fire alarm and suppression systems, HVAC, security gates, and custodial cleaning (as necessary).
31. Perform reliable and well-executed replacements and repairs related to plumbing lines, lighting, curbs, sidewalks, window coverings, paint, and unit appliances/fixtures (i.e. light bulb replacement, roof repairs, stucco repair, etc.).
32. Conduct semi-annual unit inspections to track and monitor condition and need for maintenance or replacement of carpeting, appliances, fixtures, blinds, and other unit assets.
33. Provide emergency maintenance services, and help Housing Authority improve preventive maintenance procedures.
34. Participate in capital needs planning and budgeting.
35. Recommend process and material use improvements to extend the Properties longevity while minimizing long-term cost impacts.
36. Employ qualified and trained maintenance staff with adequate oversight for quality control.
37. Conduct annual assessment of available energy and water efficiency improvements that help to identify future operating cost savings.

**EXHIBIT B
PROPOSAL DOCUMENTS**

PROPOSAL CHECKLIST

Forms Provided:

- Contact Information Form
- Management Fee Detail Form
- Proposers Certification Form
- Current Client References (sample provided)

Form/Format not Provided:

- Firm Qualifications
- Organizational Background & Personnel Information
- Experience
- Narrative of Minimum Qualifications
- Narrative Detailing How Firm Meets Selection Criteria

CONTACT INFORMATION FORM

Legal Entity Name: _____

Address: _____

City, State, Zip: _____

Authorized Representative: _____

Title: _____

Phone: _____

Fax: _____

Email: _____

MANAGEMENT FEE DETAIL FORM

Fill-in Your Firms Fee Structure Cost:

Dollar-per-unit Fee \$ _____ x 218 units = \$ _____

Percentage of Rental Income Fee _____ % of _____

Other Fee Structures – detail on a separate sheet and include.

Direct Costs to be Paid by Housing Authority:

Staffing Costs: \$ _____ x _____ position(s)

Other Direct Costs \$ _____ x _____ item(s)

Submit a separate sheet with any further direct costs to be paid by Housing Authority as part of your firm's fee structure.

TOTAL FEE \$ _____ / month x 12 = \$ _____ / year

I certify the above referenced fee to be applicable up to 120 days from submittal of Proposal:

Signature of Authorized Representative

Date

PROPOSERS CERTIFICATION FORM

Proposer certifies that the following statements are true and correct:

1. The undersigned has full authority to bind proposing firm to the Proposal submitted in response to City of Indian Wells Housing Authority's Request for Proposals from qualified property management firms. Undersigned further certifies that the business entity named in this proposal is eligible to enter into contract, and receive payment for, property management services, and further acknowledges that payment may be withheld and contract terminated if this certification is inaccurate.
2. The undersigned agrees to furnish and deliver all services, items, and documents represented in this proposal.
3. The undersigned warrants that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to public servant in connection with this proposal.
4. The undersigned certifies that proposing firm, or anyone acting on behalf of firm, has not violated antitrust laws of the State of California, Federal antitrust laws of the United States of America, or colluded in any way, directly or indirectly, with any competitor, partner, other proposing firm, or individual, in the preparation of this proposal or fees quoted.
5. The undersigned acknowledges and accepts all terms and conditions referenced in this Request for Proposals.
6. The undersigned certifies they, or their represented firm, has not received compensation for participation in the preparation of the specifications for this Request for Proposals.
7. The undersigned certifies they, or their represented firm, is not currently under investigation for any harassment, fair housing or equal opportunity employment violations, or alleged violations, by any state or federal bodies, and if under such investigation has fully disclosed details of that investigation in this proposal.
8. The undersigned agrees to execute, or negotiate in good faith the execution of a contract for the provision of services represented in this proposal.
9. The undersigned acknowledges the City of Indian Wells Housing Authority's right to reject any, and all, proposals at its sole discretion.

Signature of Authorized Representative

Date

Printed Name of Authorized Representative

Title

Printed Firm Name

Legal Status (Inc., LLC, etc.)

Email

Phone

SAMPLE CLIENT REFERENCE SHEET

This sample form details necessary reference check information needed for a completed Proposal. Failure to provide adequate reference contact information is grounds for disqualification.

Property Manager	_____
Address	_____
City, ST, Zip	_____
Fax/Phone	_____
Contact Name/Title	_____
e-mail	_____
Property Manager	_____
Address	_____
City, ST, Zip	_____
Fax/Phone	_____
Contact Name/Title	_____
e-mail	_____
Property Manager	_____
Address	_____
City, ST, Zip	_____
Fax/Phone	_____
Contact Name/Title	_____
e-mail	_____
Property Manager	_____
Address	_____
City, ST, Zip	_____
Fax/Phone	_____
Contact Name/Title	_____
e-mail	_____
Property Manager	_____
Address	_____
City, ST, Zip	_____
Fax/Phone	_____
Contact Name/Title	_____
e-mail	_____

**EXHIBIT C
PERFORMANCE INDICATORS**

Indicator #1:

The Properties expectation is to operate with a budget variance of less than 5% budget to actual expenditures. Housing Authority staff will work closely with Property Manager to establish a reasonable budget for operational and capital expenditures each fiscal year. Expenditure actuals exceeding 5% of budget may result in a reduction in management fee by as much as 10%. Housing Authority will review extenuating circumstances and emergency expenditure overages on a case-by-case basis.

Indicator #2:

Vacancy Rate				
	Tenant Units	Tenant Unit-Months	Vacant Unit-Months	% Vacancy Rate
Indian Wells Villas	89	1,068		
Mountain View Villas	126	1,512		
TOTAL	215	2,580		

The Properties expectation is operations at a vacancy rate of less than 3% of unit-months. A vacancy rate of greater than 5% may result in a reduction in management fee by as much as 10% for the year.

Indicator #3:

Housing Authority staff will conduct semi-annual and annual regulatory compliance monitoring of tenant files and income re/certification. Approximately 54 files, or 25% of total unit count, will be reviewed annually. More than ten findings, or 20% of files reviewed, having a regulatory compliance finding or concern may result in a reduction in management fee by as much as 10%.

Indicator #4:

Annually, tenants will be provided a satisfaction survey to grade performance of selected Property Management firm. The total score of the survey will be included as part of the annual performance indicators for contract performance. Low tenant satisfaction scores may result in a reduction in management fee by as much as 10%.

TENANT SATISFACTION SURVEY

1. How satisfied are you with the following:

	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Does Not Apply
Your unit/home?	<input type="radio"/>				
Your property/building?	<input type="radio"/>				
Your neighborhood?	<input type="radio"/>				
Your property management?	<input type="radio"/>				

2. Over the last year, how many times have you called for maintenance or repairs?

Have never called	1 to 2 times	3 to 4 times	More than 4 times
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. If you called for NON-EMERGENCY maintenance or repairs (for example, leaky faucet, broken or burnt out light, etc.), the work was usually completed in:

Have never called	Less than 1 week	1 to 4 weeks	More than 4 weeks	Problem Never Corrected
<input type="radio"/>				

4. If you called for EMERGENCY maintenance or repairs (for example, toilet plugged up, gas leak, etc.), the work was usually completed in:

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| Have never called | Less than 6 hours | 6 to 24 hours | More than 24 hours | Problem Never Corrected |
| <input type="radio"/> |

5. Based on your experience, how satisfied are you with:

- | | Very Satisfied | Satisfied | Dissatisfied | Very Dissatisfied | Does Not Apply |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| How <u>easy</u> it was to request repairs? | <input type="radio"/> |
| How <u>well</u> the repairs were done? | <input type="radio"/> |
| How well you were treated by the person you <u>contacted</u> for the repairs? | <input type="radio"/> |
| How well you were treated by the person who <u>did</u> the repairs? | <input type="radio"/> |

6. Do you think management provides you information about:

- | | Strongly Agree | Agree | Disagree | Strongly Disagree | Does Not Apply |
|--------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Maintenance and repairs? | <input type="radio"/> |
| The rules of your lease? | <input type="radio"/> |
| Meetings and events? | <input type="radio"/> |
| Activities? | <input type="radio"/> |

7. Do you think management is:

	Strongly Agree	Agree	Disagree	Strongly Disagree	Does Not Apply
Responsive to your questions and concerns?	<input type="radio"/>				
Courteous and professional with you?	<input type="radio"/>				
Supportive of tenants?	<input type="radio"/>				
Honest and open?	<input type="radio"/>				

8. If residents in your property break the rules in the lease that pertain to safety, does management take action?

Yes	No	Don't Know
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If management takes action, how would you rate its actions?

Very Effective	Effective	Ineffective	Very Ineffective
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9. Over the last year, how many problems, if any, have you had with electricity or air conditioning?

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Never had a problem | 1 to 2 problems | 3 to 4 problems | More than 4 problems |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If you had a problem with electricity or air conditioning, how long did it take to fix?

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| Have never called | Less than 6 hours | 6 to 24 hours | More than 24 hours | Problem Never Corrected |
| <input type="radio"/> |

10. Over the last year, how many problems, if any, have you had with kitchen appliances (for example, stove, refrigerator, etc.)?

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Never had a problem | 1 to 2 problems | 3 to 4 problems | More than 4 problems |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If you had a problem with kitchen appliances, how long did it take to fix?

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| Have never called | Less than 6 hours | 6 to 24 hours | More than 24 hours | Problem Never Corrected |
| <input type="radio"/> |

11. Over the last year, how many problems, if any, have you had with water or plumbing (for example, toilets, hot water, etc.)?

- | | | | |
|------------------------|-----------------------|-----------------------|-------------------------|
| Never had
a problem | 1 to 2
problems | 3 to 4
problems | More than
4 problems |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If you had a problem with water or plumbing, how long did it take to fix?

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|
| Have never
called | Less than 6
hours | 6 to 24
hours | More than
24 hours | Problem Never
Corrected |
| <input type="radio"/> |

12. Over the last year, how many problems, if any, have you had with smoke detectors?

- | | | | |
|------------------------|-----------------------|-----------------------|-------------------------|
| Never had
a problem | 1 to 2
problems | 3 to 4
problems | More than
4 problems |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If you had a problem with smoke detectors, how long did it take to fix?

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|
| Have never
called | Less than 6
hours | 6 to 24
hours | More than
24 hours | Problem Never
Corrected |
| <input type="radio"/> |

13. How satisfied are you with the upkeep of the following areas of your property:

	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Does Not Apply
Common areas (for example, walkways, community room, etc.)?	<input type="radio"/>				
Exterior of buildings?	<input type="radio"/>				
Parking areas?	<input type="radio"/>				
Recreation areas (for example, fitness center, dog park, pool, etc.)?	<input type="radio"/>				
Landscaping?	<input type="radio"/>				

14. How often, if at all, are any of the following a problem in your property:

	Never	Sometimes	Most of the time	Always
Cars parked in guest spots?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Neighbors not following rules?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Noise?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trash/litter?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15. Overall, what score would you give management for their performance at your property (5= Great; 1= Unacceptable)?

5 Great!	4 Good Job	3 Average	2 Bad Job	1 Unacceptable!
<input type="radio"/>				
<input type="radio"/>				
<input type="radio"/>				
<input type="radio"/>				
<input type="radio"/>				

**EXHIBIT D
INSURANCE REQUIREMENTS**

A. **Proof of Insurance** shall not be terminated or expire without thirty (30) days written notice, and is required to be maintained in force until completion of the contract. The Contractor shall require all subcontractors used in the performance of this contract to name Housing Authority as an additional insured. Following are the standard types and minimum amounts.

- General Liability:** \$2,000,000 per occurrence, \$4,000,000 per claim, for bodily injury, personal injury, and property damage liability; and have *City of Indian Wells Housing Authority* named as *Additional Insured* or,
- Commercial General Liability:** \$2,000,000; combined single limit bodily, personal injury and property damage liability per occurrence; *Housing Authority* additional named insured.
- Comprehensive Automobile Liability:** \$1,000,000; combined single limit bodily and property damage liability per occurrence and aggregate; *Housing Authority* Additional Insured.
- Professional Errors and Omissions Liability:** \$1,000,000; combined single limit to also include discrimination, fair housing, and ADA violations, and sexual molestation per occurrence and \$ 3,000,000 aggregate or,
- Professional Liability:** \$1,000,000; per occurrence and aggregate.
- Workers' Compensation:** statutory limits with waiver of subrogation in favor of *City of Indian Wells Housing Authority*,
- Self Insurance Program:** a State Approved program in an amount and form that meets all applicable requirements of the Labor Code of the State of California.
- Environmental Liability:** \$500,000; per occurrence and aggregate; *Housing Authority* Additional Insured.
- Owner's Liability:** 100% of insurable value of the work, Builder's Risk, Extended coverage for Vandalism and Malicious Mischief, if required; *Housing Authority* Additional Insured.
- Fire Insurance with Extended Coverage:** 100% of insurable value of the work; Builder's Risk, Extended coverage including Vandalism and Malicious Mischief, if required; *Housing Authority* Additional Insured.
- Crime/Fidelity Insurance:** Sufficient to cover all employees employed by Property Manager who shall be responsible for handling any monies or accessing tenant occupied units; Employee Dishonesty \$100,000, Forgery or alteration \$100,000, Theft, Disappearance, Destruction, Inside/Outside \$50,000.

- B. Failure to provide proof of insurance or failure to maintain insurance as required in this bid, or by law, are grounds for immediate termination of the contract. In addition, the awarded bidder should be liable for all re-procurement costs and any other remedies under law.

Firm's Experience	Poor	Average	Good
Rate the firm's experience with senior housing	1	2	3
Rate their familiarity with the Coachella Valley	1	2	3

Firm's Capacity	Poor	Average	Good
How did you perceive their ability to hire high quality personnel?	1	2	3
What was your sense of the quality of training they provide their employees?	1	2	3
Did the firm seem able to manage the property in a financially sound manner?	1	2	3

Demonstrated Understanding of Indian Wells Quality	Poor	Average	Good
Rate their ability to clearly communicate with tenants?	1	2	3
What is your perception of their ability to engage with tenants?	1	2	3
Did the firm appear strong in their ability to respond to tenant needs and requests?	1	2	3
Did they demonstrate a focus on high quality customer service?	1	2	3
Did they convey confidence with residents during the presentation?	1	2	3
Rate your sense of the social and lifestyle activities to be provided?	1	2	3

Firm's Availability	Poor	Average	Good
What was your perception of corporate oversight?	1	2	3
Rate your sense of their responsiveness to tenant needs?	1	2	3
How did you feel they would respond to grievances?	1	2	3
Did the firm seem to have capabilities to support the property?	1	2	3

Maintenance Ability	Poor	Average	Good
How well does the firm understand the maintenance needs of the property?	1	2	3
Did you feel confident in the approach the firm will take to ensure maintenance requests get done properly?	1	2	3
Rate your confidence in their ability to get things done.	1	2	3

Overall Perception	YES	NO
Would you feel confident in this management firm if selected?	<input type="checkbox"/>	<input type="checkbox"/>

Additional Feedback:

CONTRACT ABSTRACT

Agreement between
City of Indian Wells Housing Authority and
WinnResidential California, L.P.

PARTIES: City of Indian Wells Housing Authority, a public entity organized under the laws of the State of California (Authority”) and WinnResidential California, L.P., a California limited partnership (2350 W. Shaw Avenue, Suite 142, Fresno, CA 93711) (“Winn”)

PURPOSE OF AGREEMENT: To contract with Winn to manage Indian Wells Villas and Mountain View Villas

TERM OF CONTRACT: From July 1, 2015 to June 30, 2018 (unless terminated by either party for cause, or by the Authority without cause); Authority in its sole discretion may extend the term up to an additional three (3) years

NATURE OF RELATIONSHIP: Winn is an independent contractor

INSURANCE, BONDS AND INDEMNIFICATION: Winn is required to maintain general liability, automobile and workers’ compensation insurance in amounts and by issuers described in the Agreement, as well as fidelity bonds regarding fiscal responsibilities; Winn is required to perform criminal background checks for employees and contractors who have access to non-public areas within the housing communities (Section 3.2.8) ; Winn is required to defend and indemnify the Authority regarding claims and litigation arising out of the negligence or actions of Winn

COMPENSATION: Winn to receive compensation of \$104,640 per year as a management fee; plus specifically described reimbursements for direct employee costs, operating expenses, maintenance and repairs, on-site telephone and computer costs, annual audit and other owner reports not required by the Agreement, Yardi Software System Licensing, and business systems support (Exhibit “C” of Agreement)

WINN’S SCOPE OF WORK: A lengthy and exhaustive description of Winn’s tasks is set forth in Exhibit “A” attached to the Agreement (in the Council Meeting agenda packet)

Prepared by:
Housing Authority General Counsel Stephen P. Deitsch
May 15, 2015

**HOUSING AUTHORITY OF INDIAN WELLS
PROFESSIONAL SERVICES AGREEMENT**

1. PARTIES AND DATE.

This Agreement is made and entered into this **21st** day of **May, 2015**, by and between the **City of Indian Wells Housing Authority**, a public entity organized under the laws of the State of California with its principal place of business at 44-950 Eldorado Drive, Indian Wells, California 92210-7497 (“Housing Authority”) and **WinnResidential California, L.P.**, a California limited partnership, with its principal place of business at 2350 W. Shaw Avenue, Suite 142, Fresno, CA 93711 (“Property Manager”). Housing Authority and Property Manager are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Property Manager.

Property Manager desires to perform and assume responsibility for the provision of certain professional services required by the Housing Authority on the terms and conditions set forth in this Agreement. Property Manager represents that it is experienced in providing professional property management services to public clients, is licensed in the State of California, and is familiar with the plans of Housing Authority.

2.2 Project.

Housing Authority desires to engage Property Manager to render professional property management services for its Indian Wells Villas and Mountain View Villas residential communities (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Property Manager promises and agrees to furnish to the Housing Authority all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional property management services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **July 1, 2015** to **June 30, 2018**, unless earlier terminated as provided herein. Housing Authority reserves the right, at its sole discretion, to extend the term of this Agreement up to an additional three (3) years. Property

Manager shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines as detailed in the Exhibit “B” attached hereto and incorporated herein by reference.

3.2 Responsibilities of Property Manager.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Property Manager or under its supervision. Property Manager will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. Housing Authority retains Property Manager on an independent contractor basis and not as an employee. Property Manager retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Property Manager shall also not be employees of Housing Authority and shall at all times be under Property Manager’s exclusive direction and control. Property Manager shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Property Manager shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: medical benefits, social security taxes, income tax withholding, unemployment insurance, disability insurance, workers’ compensation insurance, and shall remain in compliance with all applicable state and federal labor laws.

3.2.2 Schedule of Services. Property Manager shall perform all Services in accordance with professional standards for affordable housing property management, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit “B” attached hereto and incorporated herein by reference. Property Manager represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Property Manager’s conformance with the Schedule, City shall respond to Property Manager’s submittals in a timely manner. Upon request of City, Property Manager shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Property Manager shall be subject to the approval of Housing Authority.

3.2.4 Substitution of Key Personnel. Property Manager has represented to Housing Authority that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Property Manager may substitute other personnel of at least equal competence upon written approval of Housing Authority. In the event that Housing Authority and Property Manager cannot agree as to the substitution of key personnel, Housing Authority shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the Housing Authority, or who are determined by the Housing Authority to be uncooperative, incompetent, incapable, a threat to the adequate or timely management of the Project, or a threat to the safety of persons or property, shall be promptly removed from the Project by the Property Manager at the request of the Housing Authority. The key personnel for performance of this Agreement are as follows:

Jerry Lemmon, Senior Vice President
Jennifer Coberth, Vice President, Quality Control
James (Jim) Aliberti, Divisional Vice President
Danielle Briggs, Senior Property Manager

3.2.5 Housing Authority's Representative. The Housing Authority hereby designates the Community Development Director, or his or her designee, to act as its representative for the performance of this Agreement ("Housing Authority's Representative"). Housing Authority's Representative shall have the power to act on behalf of the Housing Authority for all purposes under this Contract. Property Manager shall not accept direction or orders from any person other than the Housing Authority's Representative or his or her designee.

3.2.6 Property Manager's Representative. Property Manager hereby designates Jim Aliberti, Divisional Vice President, or his or her designee, to act as its representative for the performance of this Agreement ("Property Manager's Representative"). Property Manager's Representative shall have full authority to represent and act on behalf of the Property Manager for all purposes under this Agreement. The Property Manager's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Property Manager agrees to work closely with Housing Authority staff in the performance of Services and shall be available to Housing Authority's staff, Property Managers and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Property Manager shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Property Manager represents and maintains that it is skilled in the professional calling necessary to perform the Services. Property Manager warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Property Manager represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City of Indian Wells Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Property Manager shall perform, at its own cost and expense and without reimbursement from the Housing Authority, any services necessary to correct errors or omissions which are caused by the Property Manager's failure to comply with the standard of care provided for herein. Any employee of the Property Manager or its sub-Property Managers who is determined by the Housing Authority to be uncooperative, incompetent, incapable, a threat to the adequate or timely management of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the Housing Authority, shall be promptly removed from the Project by the Property Manager and shall not be re-employed to perform any of the Services or to work on the Project. Further, all representatives, employees or subcontractors of Property Manager who enter or have access to any area of the Project that is

not open to the general public in order to provide service under this Agreement shall, prior to accessing any such non-public area, undergo and pass a complete criminal background check, including but not limited to Live-Scan fingerprinting, based on background check standards deemed appropriate by the Housing Authority, as those standards may be revised from time to time.

3.2.9 Laws and Regulations. Property Manager shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Property Manager shall be liable for all violations of such laws and regulations in connection with Services. If the Property Manager performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the Housing Authority, Property Manager shall be solely responsible for all costs arising therefrom. Property Manager shall defend, indemnify and hold Housing Authority, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Property Manager shall not commence the Services under this Agreement until it has provided evidence satisfactory to the Housing Authority that it has secured all insurance required under this section. In addition, Property Manager shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the Housing Authority that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Property Manager shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Property Manager, its agents, representatives, employees or subcontractors. Property Manager shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Property Manager shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence/\$4,000,000 in the aggregate, for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit

shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident/\$1,000,000 in the aggregate, for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Professional Liability. INTENTIONALLY OMITTED

3.2.10.4 Fidelity Bonds. Property Manager shall obtain Fidelity bond coverage, and shall submit evidence thereof in a form and substance satisfactory to the Housing Authority, naming all persons signing checks or otherwise possessing fiscal responsibilities on behalf of the Property Manager, including, but not limited to, officers, directors, trustees and employees of the Property Manager, and officers, employees and agents of any management company or subcontractor employed by the Property Manager who handle or are responsible for funds collected pursuant to this Agreement. Such coverage shall be in an amount deemed reasonably appropriate by the Housing Authority, but shall not be less than the estimated maximum funds in custody of the Property Manager, or twenty-five percent (25%) of the estimated annual operating expenses of the Project, plus reserves, whichever is greater.

3.2.10.5 Insurance Endorsements. The insurance policies shall contain the following provisions, or Property Manager shall provide endorsements on forms supplied or approved by the Housing Authority to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the Housing Authority, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the Services or operations performed by or on behalf of the Property Manager, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the Housing Authority, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Property Manager's scheduled underlying coverage. Any insurance or self-insurance maintained by the Housing Authority, its directors, officials, officers, employees, agents and volunteers shall be excess of the Property Manager's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the Housing Authority, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Property Manager or for which the Property Manager is responsible; and (2) the insurance coverage shall be primary insurance as respects the Housing Authority, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Property Manager's scheduled underlying coverage. Any insurance or self-insurance maintained by the Housing Authority, its directors, officials, officers, employees,

agents and volunteers shall be excess of the Property Manager's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the Housing Authority, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Property Manager.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Housing Authority; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the Housing Authority, its directors, officials, officers, employees, agents and volunteers.

3.2.10.6 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the Housing Authority, its directors, officials, officers, employees, agents and volunteers.

3.2.10.7 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Housing Authority. Property Manager shall guarantee that, at the option of the Housing Authority, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Housing Authority, its directors, officials, officers, employees, agents and volunteers; or (2) the Property Manager shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.8 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the Housing Authority.

3.2.10.9 Verification of Coverage. Property Manager shall furnish Housing Authority with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the Housing Authority. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the Housing Authority if requested. All certificates and endorsements must be received and approved by the Housing Authority before work commences. The Housing Authority reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.11 Safety. Property Manager shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Property Manager shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees

appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.12 Property Manager's Additional Insured Status. Property Manager, its directors, officials, officers, employees and agents shall be covered as additional insureds on Housing Authority's general liability coverage with respect to Housing Authority's performance of the Agreement.

3.3 Fees and Payments.

3.3.1 Compensation. Property Manager shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed One Hundred Four Thousand Six Hundred Forty Dollars (\$104,640) per year without written approval of Housing Authority's Executive Director. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Property Manager may pay its management fee from the General Operating Accounts for each project, provided that the reimbursement does not exceed the estimated operating budget. The monthly management fee will be payable on the 1st day of the month following the month in which Services were rendered

3.3.3 Reimbursement for Expenses. Property Manager shall not be reimbursed for any expenses unless authorized in writing by Housing Authority.

3.3.4 Extra Work. At any time during the term of this Agreement, Housing Authority may request that Property Manager perform Extra Work. As used herein, "Extra Work" means any work which is determined by Housing Authority to be necessary for the proper management of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Property Manager shall not perform, nor be compensated for, Extra Work without written authorization from Housing Authority's Representative.

3.3.5 [Intentionally Omitted]

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Property Manager shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Property Manager shall allow a representative of

Housing Authority during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Property Manager shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. Housing Authority may, by written notice to Property Manager, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Property Manager of such termination, and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. Upon termination, Property Manager shall be compensated only for those Services which have been adequately rendered to Housing Authority, and Property Manager shall be entitled to no further compensation. Property Manager may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, Housing Authority may require Property Manager to provide all finished or unfinished Documents and Data and other information of any kind prepared or maintained by Property Manager in connection with the performance of Services under this Agreement. Property Manager shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, Housing Authority may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Property Manager:

WinnResidential California L.P.
2350 W. Shaw Avenue, Suite 142
Fresno, CA 93711
Attn: Jim Aliberti, Divisional Vice President

Housing Authority:

Housing Authority of Indian Wells
44-950 Eldorado Drive, Indian Wells
California 92210-7497
Attn: Warren Morelion, AICP
Community Development Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for Housing Authority to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Property Manager under this Agreement (“Documents & Data”). Property Manager shall require all subcontractors to agree in writing that Housing Authority is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Property Manager represents and warrants that Property Manager has the legal right to license any and all Documents & Data. Property Manager makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Property Manager or provided to Property Manager by the Housing Authority. Housing Authority shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at Housing Authority’s sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Property Manager in connection with the performance of this Agreement shall be held confidential by Property Manager. Such materials shall not, without the prior written consent of Housing Authority, be used by Property Manager for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Property Manager which is otherwise known to Property Manager or is generally known, or has become known, to the related industry shall be deemed confidential. Property Manager shall not use Housing Authority’s name or insignia, photographs of the Project, or any public Housing Authority pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of Housing Authority.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 [INTENTIONALLY OMITTED]

3.5.6 Indemnification. Property Manager shall defend, indemnify and hold HOUSING AUTHORITY, its officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of

any kind, in law or equity, to property or persons, including wrongful death, to the extent such claim arises out of or is incident to the negligence, recklessness, or willful misconduct of Property Manager, its officials, officers, employees, subcontractors, Property Managers or agents in the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and reasonable attorneys fees, expert witness fees and other related costs and expenses of defense. Property Manager shall defend, with counsel of HOUSING AUTHORITY's choosing and at Property Manager's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against HOUSING AUTHORITY, its officials, officers, employees and agents. Property Manager shall pay and satisfy any judgment, award or decree that may be rendered against HOUSING AUTHORITY, its officials, officers, employees and agents in any such suits, actions or other legal proceedings. Property Manager shall also reimburse HOUSING AUTHORITY for the cost of any settlement paid by HOUSING AUTHORITY arising out of any such claims, demands, causes of action, costs, expenses, liabilities, losses, damages, injuries, suits, actions, or other legal proceedings. Such reimbursement shall include payment for HOUSING AUTHORITY's attorney's fees and costs, including expert witness fees. Property Manager shall reimburse HOUSING AUTHORITY, its officials, officers, employees and agents for any and all legal expenses and costs, including expert witness fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Property Manager's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the HOUSING AUTHORITY, its officials, officers, employees and agents.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or Agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 Housing Authority's Right to Employ Other Property Managers. Housing Authority reserves right to employ other Property Managers in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

3.5.12 Assignment or Transfer. Property Manager shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the Housing Authority. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any

term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Property Manager include all personnel, employees, agents, and subcontractors of Property Manager, except as otherwise specified in this Agreement. All references to Housing Authority include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.18 Prohibited Interests. Property Manager warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Property Manager, to solicit or secure this Agreement. Further, Property Manager warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Property Manager, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Housing Authority shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of Housing Authority, during the term of his or her service with Housing Authority, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Property Manager represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Property Manager shall also comply with all relevant provisions of any Housing Authority's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Property Manager certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Property Manager has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Property Manager shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of Housing Authority. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. In selecting subcontractors or vendors to conduct work required by this Agreement or in connection with the operation and maintenance of the Project, the Property Manager shall solicit bids or proposals from not less than three vendors or subcontractors through a formal or informal solicitation process as agreed to following consultation with the Housing Authority and approval by the Housing Authority of the proposed solicitation process.

**HOUSING AUTHORITY OF
INDIAN WELLS**

**WINNRESIDENTIAL CALIFORNIA
L.P.**

Wade G. McKinney
Housing Authority Executive Director

Deirdre A. Kuring
President, WinnCompanies

Attest:

Anna Grandys
Chief Deputy Housing Authority Clerk

Approved as to Form:

Stephen P. Deitsch
Housing Authority General Counsel

EXHIBIT "A"

SCOPE OF SERVICES

Property Management Services to include the following:

- Provide Winn Residential California L.P. employees to operate the properties including on-site personnel.
- Establish and maintain bank accounts for each property according to Housing Authority standards.
- Utilize Housing Authority standard lease for all current and future tenants.
- Lease units and operate Project according to Regulatory Agreements, covenants and conditions of the properties, and Fair Housing requirements.
- Provide compliance with regulatory requirements of the Housing Authority, County and all other governmental agencies having jurisdiction over affordable housing.
- Collect rents and other receipts.
- Pay property, subcontractor, and other required bills in a timely and effective manner.
- Investigate and furnish Housing Authority full reports of accidents occurring on or about the properties or in connection with the operations of the projects, or any claims or potential claims for damages.
- Establish and maintain comprehensive system of records, books and accounts in accordance with Housing Authority oversight and auditory controls.
- Provide monthly financial reports to the Housing Authority indicating all rents collected, rents outstanding, operating expenditures by property, capital replacement costs by property, and include any other financial data requested by Housing Authority.
- Provide Annual Budgets for each property and monthly reports detailing expenditures to Budget.
- Provide quarterly review of the Annual Budgets.
- Provide monthly maintenance and repair reports of the properties to the Housing Authority, including but not limited to, repair work order logs.
- Oversee and manage all vendors, contractors and subcontractors that provide goods and services to the Project, except to the extent that the Housing Authority notifies Property Manager in writing that it assumes responsibility for one or more of the vendors, contractors or subcontractors.
- Adjust rents yearly as required by Housing Authority policy.
- Enforce the Residential Lease provisions and Rules and Regulations.
- Perform evictions when necessary.
- Implement social service and senior activity programs.
- Establish processes for documenting and addressing tenant complaints, disputes, maintenance requests, and adult protective services necessity.
- Meet with the Housing Authority monthly or as determined by the Housing Authority.
- Assist Housing Authority in identifying and developing CDBG eligible projects to benefit senior tenants.
- Provide quarterly Housing Authority Board of Commissioner update reports.

- Attend Housing Authority Board of Commissioner meetings, or any other meetings requested by the Housing Authority.

Expectations for Service Delivery are as follows:

- Focus on a customer service culture and serving the needs of tenants.
- Provide accountability to the public.
- Manage the Properties as self-sufficient individual entities.
- Apply operational policies and procedures in a uniform manner.
- Ensure compliance with program requirements.
- Communicate with tenants and Housing Authority staff in a clear and concise manner.
- Setup and prepare emergency response resources and an implementation plan.
- Utilize industry best practices for tenet selection, leasing, rent re/assignment, and vacancy advertisement as needed.
- Manage tenant waiting lists through semi-annual updates of prospective applicants in conformance with Housing Authority tenant selection policies.
- Produce semi-annual reports detailing number of new applicants, number of dropped applicants, and total for each waiting list.
- Generate detailed files for evictions, application denials, and social service interventions for seniors unable to live independently.
- Recommend further improvements to operational practices to improve and refine administrative/leasing services further.
- Utilize Housing Authority's standardized chart of accounts.
- Use a financial software package capable of delivering accrual based accounting reports on a monthly basis.
- Comply and assist with preparation of an annual fiscal audit focused on compliance with generally accepted accounting procedures (GAAP).
- Implement proper internal controls for accounts receivable and payable, account reconciliation, security deposits, records retention, electronic backup, and expenditures for services.
- Act as Housing Authority's fiscal agent for day-to-day operations.
- Work with Housing Authority staff to ensure the most efficient system of reporting.

Performance Indicators:

Housing Authority staff will annually review management operations through a series of performance indicators and create a Performance Indicator Report. Any individual Performance Indicator that exceeds maximum thresholds as detailed herein may be grounds for a reduction in the management fee paid to Property Manager by Housing Authority pursuant to Section 3.3, Fees and Payment, of this AGREEMENT. Property Manager is expected to perform to the following specifications:

- Perform to a budget variance of less than 5% (difference between budget and actual income and expenditures).
- Keep annual vacancy rate and rent loss due to vacancies under 3%.

- Keep regulatory compliance findings to less than 20% findings on annually reviewed files.
- Rank highly on an annual customer service survey of tenants.

Maintenance and Capital Replacement Services:

- Ensure cost control without sacrificing quality of maintenance services and contractors performing routine maintenance.
- Utilize a maintenance request/maintenance tracking system or software program that provides quarterly reports to Housing Authority staff detailing work orders received (date & time), completion (date & time), and hours completed or subcontractors used to complete work.
- Manage a comprehensive landscaping service contract that provides timely and effective repair and replacement of irrigation systems to ensure landscape vitality.
- Oversight of subcontracts for services for pest management, electrical systems, trash removal, fire alarm and suppression systems, HVAC, security gates, and custodial cleaning (as necessary).
- Perform reliable and well-executed replacements and repairs related to plumbing lines, lighting, curbs, sidewalks, window coverings, paint, and unit appliances/fixtures (i.e. light bulb replacement, roof repairs, stucco repair, etc.).
- Conduct semi-annual unit inspections to track and monitor condition and need for maintenance or replacement of carpeting, appliances, fixtures, blinds, and other unit assets in a form approved by Housing Authority.
- Provide emergency maintenance services, and help Housing Authority improve preventive maintenance procedures.
- Participate in capital needs planning and budgeting.
- Recommend process and material use improvements to extend Project longevity while minimizing long-term cost impacts.
- Employ qualified and trained maintenance staff with adequate oversight for quality control.
Conduct annual assessment of available energy and water efficiency improvements that help to identify future operating cost savings.

Start-up costs:

Property Manager is not responsible for any substantial deferred maintenance items prior to the beginning date of this Agreement. The correction of any substantial deferred maintenance items shall not be included as part of the Agreement and any correction of such deferred maintenance items shall be paid separately by Housing Authority.

Property Manager is not responsible for any material errors in tenant files prior to the beginning date of this Agreement. The correction of material errors in files prior to this Agreement shall not be included as part of the Agreement.

EXHIBIT "B"

SCHEDULE OF SERVICES

**WORKING TO PUT TOGETHER THE SCOPE OF SERVICE
BASED ON TRANSITION PLAN BEING PROVIDED BY WINN**

Property Manager's Transition Responsibilities within 90 days of Agreement effective Date:

- Assess building conditions, review existing warranties, manufacturer's instructions and other subcontracts. Provide Housing Authority a preventive maintenance schedule in accordance with manufacturer's recommendations and Properties' needs.
- Hire all persons necessary to properly maintain and operate the Properties. All contractor employees will be the sole responsibility of contractor and in no instance will be City or Housing Authority employees.
- Review existing service subcontracts and provide Housing Authority a full list of subcontractors with expiration dates, contract costs, and proof of liability insurance naming the Housing Authority additionally insured.
- Catalog and inventory all removable assets (furniture, tools, appliances, etc.) and provide to Housing Authority.
- Develop and submit an emergency response plan and submit to Housing Authority.
- In accordance with California State Toxic Substance Program (Right-to-Know Law) and the United States Occupational Safety and Health Administration's Hazard Communication Standard, produce and provide a communication plan.
- Develop quarterly report to Housing Authority detailing Administrative/Leasing actions taken, Financial documentation of accounts payable and receivable, Maintenance work order tracking and completion logs, and regulatory compliance updates.
- Develop and provide to Housing Authority a Management, Marketing, and Tenant Selection plan.

Property Manager shall be subject to the following Regulatory Compliance procedures and oversight:

- Perform annual random sample monitoring of income re/certification procedures, files, tenant lease Agreements, and rent roll records to verify compliance with income certification requirements.
- Conduct semi-annual random audit of tenant files to ensure proper records retention for verification of continued income eligibility, occupancy limits, vehicle registration and insurance, etc.
- Review the prospective tenant waiting list files for compliance with tenant selection policy, applicant verification procedures, and waiting list noticing requirements.
- Quarterly review rent rolls and Profit and Loss statements to verify budget variance percentages, rent collections percentages, and vacancy rate.

EXHIBIT "C"
COMPENSATION

Fee Structure

Property Manager's Compensation: Property Manager shall be compensated for its services under this contract by a monthly fee to be paid out of the General Operating Account. The monthly fee shall be \$40 per unit per month for 218 units.

Startup Costs:

Status	Category	Expense	Comment
<i>Required</i>	Yardi Property Set-Up	\$300 set-up fee plus \$3.50 per unit	
<i>Required</i>	Yardi Systems	\$24 per unit per year	Payable in 2 installments - January/July
<i>Required</i>	Business Systems Support	\$40 per month per computer	Monthly
<i>Dependent on results of Information Technology Site Survey</i>	Desktop Computer	\$1,700	Billable
<i>Dependent on results of Information Technology Site Survey</i>	Laptop Computer	\$2,000	Billable
<i>Dependent on results of Information Technology Site Survey / Property Needs</i>	Standard Office Printer	\$525	Billable
<i>Dependent on results of Information Technology Site Survey / Property Needs</i>	Color Multi Function Printer	\$450	Billable

CC/HA ACTION _____ MTG. DATE: 5-21-15
APPROVED DENIED _____ REG/FILE _____ CONT. _____
OTHER _____
VOTE: YES 7 NO 0 ABSTAIN _____

Indian Wells Housing Authority

May 21, 2015

Staff Report – Finance

Approve Housing Authority Operating and Capital Budgets for Fiscal Years 2015-17

RECOMMENDED ACTION:

Housing Authority **APPROVES** the Operating and Capital Budgets for Fiscal Years 2015-17.

DISCUSSION:

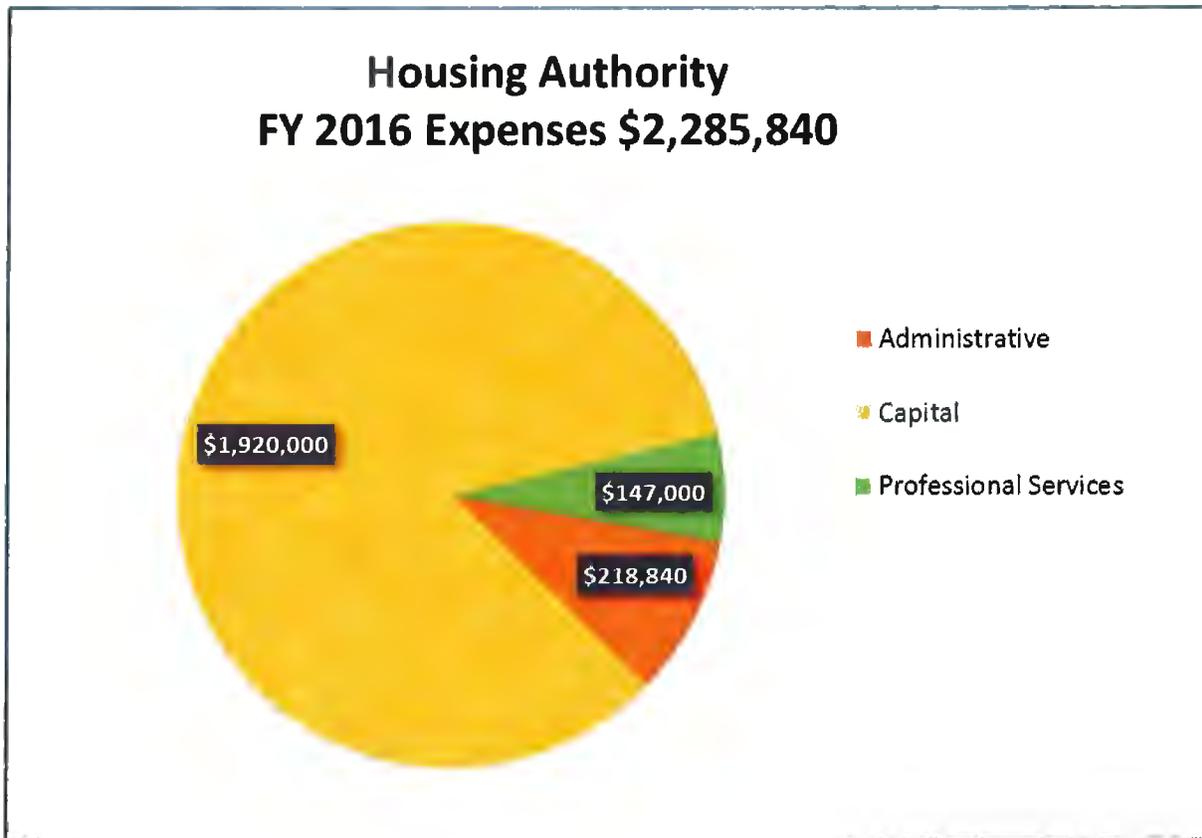
The Housing Authority received approval from the Department of Finance to collect funding to repay the outstanding Supplement Education Relief Augmentation Fund ("SERAF") loan. The SERAF loan is between the Housing Authority and the former Redevelopment Agency. The amount on the SERAF loan is \$10,957,829.

Repayment of the loan is subject to DOF approval every year until fully paid. The DOF has approved \$452,303 in loan repayments to the Housing Authority for fiscal year 2015/16. Full repayment of the loan is expected to take between 12 to 15 years based upon anticipated growth of available tax increment. In addition to annual loan repayments, the Authority anticipates receiving \$40,000 in interest income during fiscal year 2015/16.

Total operating costs are budgeted at \$365,840. The Authority has budgeted \$218,840 for staffing costs to oversee operations at the housing communities and to explore opportunities for future development of vacant land owned by the Authority. Professional services are budgeted at \$147,000 for land appraisals, audit fees, legal costs, and consultant services for the implementation of SB341.

Authority Infrastructure Improvements

Staff has estimated \$1,920,000 in capital improvements in fiscal year 2015/16 consisting of \$1,270,000 for environmental work and grading improvements at the Authority's 27-acre vacant parcel located on Miles Avenue south of the Tennis Gardens. An additional \$650,000 is budgeted for Whitewater channel lining improvements at the Authority's 3-acre parcel adjacent to the Mountain View Villas Phase II site along Highway 111.



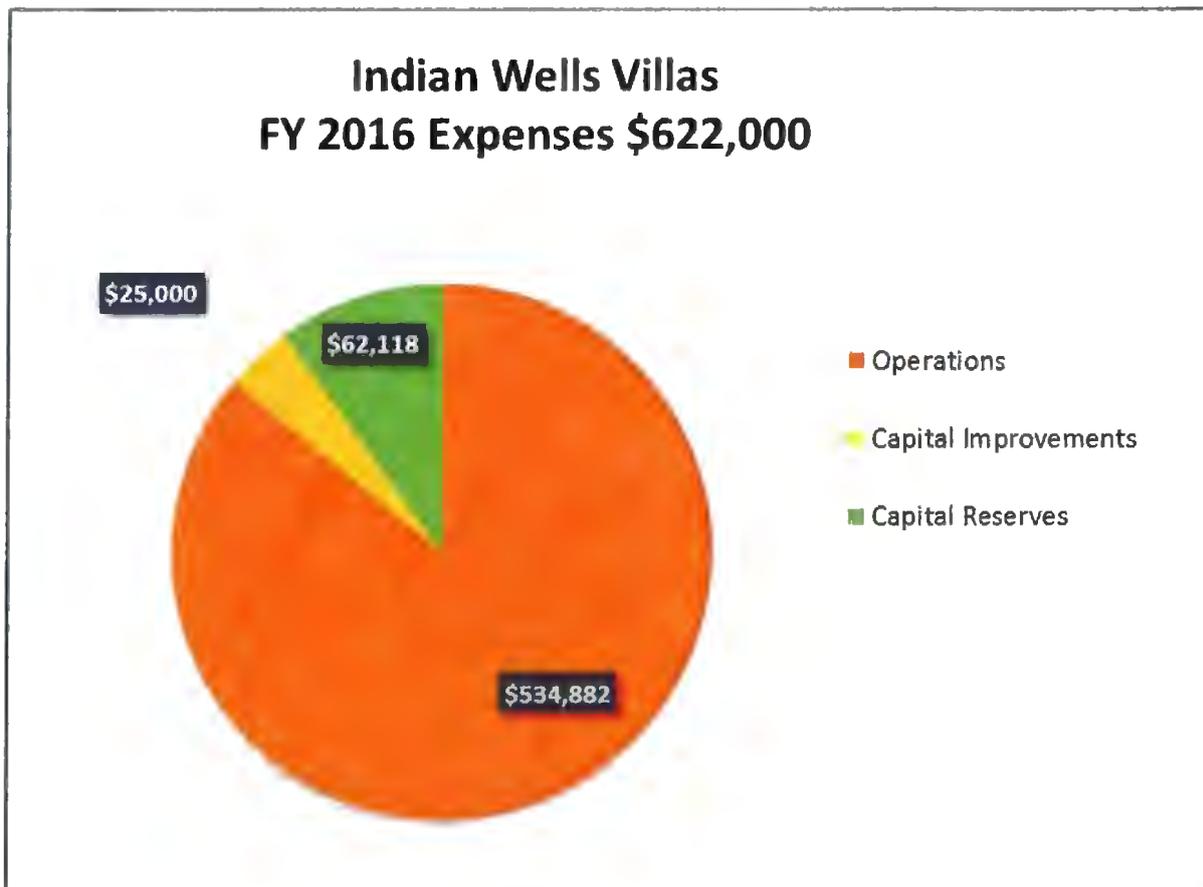
Affordable Housing Program

The Affordable Housing Program was created to manage the operations of the City's affordable housing developments. The City has two senior affordable housing communities. Indian Wells Villas is a 90-unit community and Mountain View Villas is a 128-unit community. A property management firm is responsible for the collection of rents, payment of operating expenses, monthly financial reporting, daily on-site management, and case management for the tenants.

Indian Wells Villas

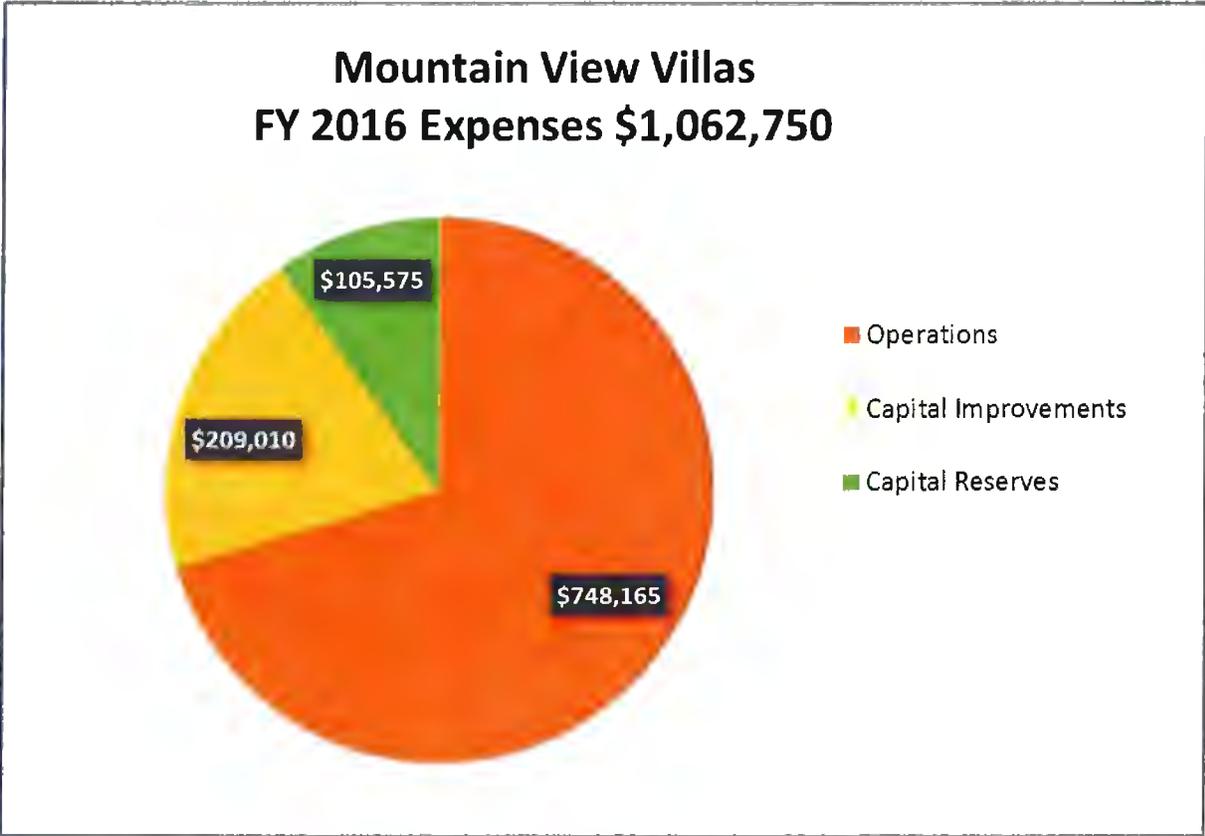
Operational costs at Indian Wells Villas for fiscal year 2015/16 are budgeted at \$622,000, which includes \$534,882 for operations, \$25,000 for capital repairs and improvements, and \$62,118 in capital reserves for future years. Operational costs are projected to increase 3% to \$640,360 for fiscal year 2016/17.

A capital reserve allocation was established at the beginning of fiscal year 2015/16 to offset the cost of future capital projects. The new reserve allocation is equal to roughly 10% of the rental income generated by the community.



Mountain View Villas

Operational costs at Indian Wells Villas for fiscal year 2015/16 are budgeted at \$1,062,750, which includes \$748,165 for operations, \$209,010 for capital repairs and replacements, and \$105,575 in capital reserves for future years. Operational costs are projected to increase 3% to \$1,094,422 for fiscal year 2016/17. Similar to Indian Wells Villas, a 10% capital reserve allocation was established to offset the cost of future capital projects.



ATTACHMENT:

- 1. Housing Authority Budget FY 2015-2017

HOUSING AUTHORITY

Account Number	2013/2014 Year End Actual	2014/2015 Adjusted Budget	2015/2016 Budget Detail	2015/2016 Projected Appropriation	% change	2016/2017 Projected Appropriation	% change
SENIOR AFFORDABLE HOUSING INDIAN WELLS VILLAS							
253.46.01.05090.000 IW Villas Operating Cost	486,991	500,630		534,882	6.8%	550,928	3.0%
253.46.01.05091.000 IW Villas Capital Improvements	10,737	95,084		25,000	-73.7%	25,750	3.0%
253.46.01.05092.000 IW Villas Capital Reserve				62,118	100.0%	63,682	2.5%
253.46.02.05440.000 Building & Grounds Maintenance	86				0.0%	-	0.0%
Total SENIOR AFFORDABLE HOUSING INDIAN WELLS VILLAS	497,814	595,714		622,000	4.4%	640,360	3.0%
SENIOR AFFORDABLE HOUSING MOUNTAIN VIEW VILLAS							
254.46.01.05090.000 Mountain View Villas Operating Cost	695,605	724,589		748,165	3.3%	770,610	3.0%
254.46.01.05091.000 Mountain View Villas Capital Improvements	70,602	144,223		209,010	44.9%	215,280	3.0%
254.46.01.05092.000 Mountain View Villas Capital Reserve				105,575	100.0%	76,860	-27.2%
254.46.02.05440.000 Building & Grounds Maintenance	16,448				0.0%		0.0%
Total SENIOR AFFORDABLE HOUSING MOUNTAIN VIEW VILLAS	782,655	868,812		1,062,750	22.3%	1,062,750	0.0%
Total SENIOR AFFORDABLE HOUSING	1,280,469	1,464,526		1,684,750	15.0%	1,703,111	1.1%
HOUSING AUTHORITY ADMINISTRATION							
256.46.01.05110.000 Regular Employees (0.99 FTE)		116,312		121,136	4.1%	123,528	2.0%
256.46.01.05210.000 Retirement - Employee		9,305		9,691	4.1%	9,882	2.0%
256.46.01.05211.000 Retirement - Employer		20,110		24,972	24.2%	26,308	5.3%
256.46.01.05220.000 FICA		7,738		7,912	2.2%	8,003	1.2%
256.46.01.05230.000 Group Insurance		19,234		20,142	4.7%	21,525	6.9%
256.46.01.052340.000 Retirement Benefit		-		21,483	100.0%	22,028	2.5%
256.46.01.05251.000 Retirement 401A		5,158		5,278	2.3%	5,338	1.1%
256.46.01.05260.000 Vehicle Allowance		2,035		2,071	1.8%	2,071	0.0%
256.46.01.05261.000 Employee FICA Benefit		6,051		6,155	1.7%	6,211	0.9%
Total Salary and Benefits	-	185,943		218,840	17.7%	224,884	2.8%
256.46.01.05310.000 Professional Services	70,977	126,600		147,000	16.1%	147,000	0.0%
Appraisals			15,000				
Audit			12,000				
Legal			75,000				
SB 341 Consultant			35,000				
Legislative			10,000				
256.46.01.05440.000 Building & Grounds Maintenance		36,400			-100.0%	-	0.0%
Total HOUSING AUTHORITY ADMINISTRATION	70,977	348,943		365,840	4.8%	371,884	1.7%
HOUSING AUTHORITY CAPITAL							
256.46.01.05450.000 Capital Channel Lining on HWY 111		997,000		1,920,000	92.6%	-	0.0%
Miles Parking - Environmental			650,000				
Miles Parking - Grading			70,000				
Miles Parking - Grading			1,200,000				
Total HOUSING AUTHORITY CAPITAL	-	997,000		1,920,000	92.6%	-	-100.0%
Total HOUSING AUTHORITY	1,351,446	2,810,469		3,970,590	41.3%	2,075,005	-47.7%

INDIAN WELLS VILLAS

Account Number	2013/2014 Year End Actual	2014/2015 Adjusted Budget	2015/2016 Projected Revenue	2015/2016 v. 2014/2015 Variance	2016/2017 Projected Revenue	2016/2017 v. 2015/2016 Variance
Beginning Fund Balance	881,252	997,011	1,041,657		1,041,657	
Revenues						
253.00.00.04511.000 Investment Earnings	11,220	5,000	5,000	0.0%	5,000	0.0%
253.00.00.04523.000 Rental Income - Sr Housing	600,796	630,360	612,000	-2.9%	630,360	3.0%
253.00.00.04863.000 Miscellaneous Revenue	1,557	5,000	5,000	0.0%	5,000	0.0%
Total Revenues	613,573	640,360	622,000	-2.9%	640,360	3.0%
Expenditures						
253.46.01.05090.000 IW Villas Operating Cost	486,991	500,630	534,882	6.8%	550,928	3.0%
253.46.01.05091.000 IW Villas Capital Improvements	10,737	95,084	25,000	-73.7%	25,750	3.0%
253.46.01.05092.000 IW Villas Capital Reserve			62,118	100.0%	63,682	2.5%
253.46.02.05440.000 Building & Grounds Maintenance	86	-	-	0.0%	-	0.0%
Total Expenditures	497,814	595,714	622,000	4.4%	640,360	3.0%
Net Surplus/Loss	115,759	44,646	-		-	
Ending Fund Balance	997,011	1,041,657	1,041,657		1,041,657	

MOUNTAIN VIEW VILLAS

<u>Account Number</u>	<u>2013/2014 Year End Actual</u>	<u>2014/2015 Adjusted Budget</u>	<u>2015/2016 Projected Revenue</u>	<u>2015/2016 v. 2014/2015 Variance</u>	<u>2016/2017 Projected Revenue</u>	<u>2016/2017 v. 2015/2016 Variance</u>
Beginning Fund Balance	783,506	1,004,086	1,198,024		1,198,024	
Revenues						
254.00.00.04511.000 Investment Earnings	11,298	5,000	5,000	0.0%	5,000	0.0%
254.00.00.04523.000 Rental Income - Sr Housing	989,747	1,055,750	1,055,750	0.0%	1,087,423	3.0%
254.00.00.04863.000 Miscellaneous Revenue	2,189	2,000	2,000	0.0%	2,000	0.0%
Total Revenues	1,003,235	1,062,750	1,062,750	0.0%	1,094,423	3.0%
Expenditures						
254.46.01.05090.000 Mt View Villas Operating Cost	695,605	724,589	748,165	3.3%	770,610	3.0%
254.46.01.05091.000 Mt View Villas Capital Improvements	70,602	144,223	209,010	44.9%	215,280	3.0%
254.46.01.05092.000 Mt View Villas Capital Reserve			105,575	100.0%	108,532	2.8%
254.46.02.05440.000 Building & Grounds Maintenance	16,448	-	-	0.0%	-	0.0%
Total Expenditures	782,655	868,812	1,062,750	22.3%	1,094,422	3.0%
Net Surplus/Loss	220,580	193,938	-		-	
Ending Fund Balance	1,004,086	1,198,024	1,198,024		1,198,024	

HOUSING AUTHORITY

Account Number	2013/2014 Year End Actual	2014/2015 Adjusted Budget	2015/2016 Projected Revenue	2015/2016 v. 2014/2015 Variance	2016/2017 Projected Revenue	2016/2017 v. 2015/2016 Variance
Beginning Fund Balance	13,807,180	14,412,792	13,256,849		11,011,009	
Revenues						
256.00.00.04511.000 Investment Earnings	676,589	40,000	40,000	0.0%	40,000	0.0%
256.00.00.04864.000 Misc Revenue-Settlement	-	150,000	-	-100.0%	-	
Total Revenues	676,589	190,000	40,000	-78.9%	40,000	0.0%
Expenditures						
256.46.01.05110.000 Regular Employees (0.99 FTE)		116,312	121,136	4.1%	123,528	2.0%
256.46.01.05210.000 Retirement - Employee		9,305	9,691	4.1%	9,882	2.0%
256.46.01.05211.000 Retirement - Employer		20,110	24,972	24.2%	26,308	5.3%
256.46.01.05220.000 FICA	-	7,738	7,912	2.2%	8,003	1.2%
256.46.01.05230.000 Group Insurance		19,234	20,142	4.7%	21,525	6.9%
256.46.01.052340.000 Retirement Benefit			21,483	100.0%	22,028	2.5%
256.46.01.05251.000 Retirement 401A		5,158	5,278	2.3%	5,338	1.1%
256.46.01.05260.000 Vehicle Allowance	-	2,035	2,071	1.8%	2,071	0.0%
256.46.01.05261.000 Employee FICA Benefit		6,051	6,155	1.7%	6,211	0.9%
Total Salary and Benefits	-	185,943	218,840	17.7%	224,894	2.8%
256.46.01.05310.000 Professional Services Appraisals Audit Legal SB 341 Consultant Legislative	70,977	126,600	147,000	16.1%	147,000	0.0%
256.46.01.05440.000 Building & Grounds Maintenance	-	36,400	-	-100.0%	-	0.0%
Total Operating	70,977	348,943	365,840	4.8%	371,894	1.7%
Capital						
256.46.01.05450.000 Capital Channel Lining on HWY 111 Miles Parking - Environmental Miles Parking - Grading		997,000	1,920,000	92.6%		0.0%
Total Capital	-	997,000	1,920,000	92.6%	-	-100.0%
Total Operating and Capital	70,977	1,345,943	2,285,840	69.8%	371,894	-83.7%
Net Surplus/Loss	605,612	(1,155,943)	(2,245,840)	94.3%	(331,894)	-85.2%
Ending Fund Balance	14,412,792	13,256,849	11,011,009		10,679,115	
Less: Long Term Loan	11,541,773	10,957,829	10,957,829		10,957,829	
Total Cash Available	2,871,019	2,299,020	53,180		(278,714)	

CO/HA ACTION _____ MTG. DATE: 5-21-15
APPROVED X DENIED _____ REC/FILE _____ CONT. _____
OTHER _____
VOTE: YES 5 NO 1 ABSTAIN 1
Mitchell *Reed*
May 21, 2015

Indian Wells Housing Authority

Staff Report – Community Development

Discussion and Direction Regarding Phase II Cultural Analysis for Housing Authority Property on the Southside of Miles Avenue Across from the Tennis Garden

RECOMMENDED ACTIONS:

Housing Authority provides **DIRECTION** to Staff regarding Phase II of the Cultural Analysis for the Miles Avenue Property

APPROVES contract with MSA Consulting, Inc. and CRM TECH for Phase II cultural analysis; and

AUTHORIZES and **DIRECTS** the Executive Director to execute the contracts for same.

DISCUSSION:

Recently, the Housing Authority ("Authority") held a study session to understand the parameters of Senate Bill 341 ("SB341"). Essentially, SB341 restricts the use of assets and funds to affordable housing development, effectively forcing the Indian Wells Housing Authority to develop its vacant property with affordable housing or sell the property and revert the funds to the State of California.

South of Miles HA Property



One of the properties the Authority owns is a 50.12-acre parcel (APN No. 604-640-001) located on the south side of Miles Avenue directly across from Indian Wells Tennis Garden. Prior to being made aware of SB341, Staff was in the process of completing the necessary entitlements and environmental analysis to allow for a temporary parking lot on the developable portion (approximately 17 acres) of the site as an interim use until the site is permanently developed.

The temporary parking lot project was placed on hold as a result of human remains being identified on the west end of the site during the initial Phase I cultural analysis that surveyed the surface of the site. During consultation with the Agua Caliente Band of Cahuilla Indians, the Tribe stated the discovery appeared to be significant enough that, at a minimum, they would like the burial site to be preserved in place as part of the project. At that time, a Phase II cultural analysis was determined to be necessary to fully understand the extent of the remains and how it would affect future development of the site.

Analysis

Regardless of the Housing Authority's decision on whether to move forward with the temporary parking lot, Staff recommends the Phase II cultural analysis be completed at this time so the Housing Authority has all the facts in regards to the potential burial site and how it impacts the full value of the site and future development capabilities as they relate SB341.

The Phase II cultural analysis is a more in depth subsurface examination to determine the extent of human remains and the likelihood of additional cultural artifacts on the site. This information will be shared with the Agua Caliente Band of Cahuilla Indian tribe to discuss removal or protection in place of any other remains or artifacts found on the site. The outcome of the Phase II cultural analysis and Tribe recommendation will give the Housing Authority a better idea of how much of the site can be developed in the future by the City or a developer if the site is sold as a result of SB341. Without the Phase II analysis, the City or any future developer will not know the full development possibilities or value of the site.

FISCAL IMPACT:

MSA Consulting, Inc. ("MSA") was contracted to complete the initial planning and environmental services. MSA has provided a proposal in the amount of \$67,790 for the additional Phase II cultural analysis that was not part of the original contract (Attachment 1). The cost of the Phase II analysis would come from the Housing Authority fund (256.46.01.05310). With the amendment, the total cost for planning and environmental services for the South of Miles property is \$92,690.

ATTACHMENTS:

1. Phase II Cultural Analysis Proposal
2. Professional Services Agreement

**CRM TECH**

1016 E. Cooley Drive, Suite A/B
Colton, CA 92324

May 12, 2015

Paul DePalatis, AICP
MSA Consulting, Inc.
34200 Bob Hope Drive
Rancho Mirage, CA 92270

ARCHAEOLOGICAL TESTING PROGRAM

**Scope of Work and Cost Proposal
For Sites 33-001530 and 33-007924 and the Area In-Between
Within a Portion of Assessor's Parcel Number 604-640-001
City of Indian Wells, Riverside County, California**

At the request of the Paul DePalatis of MSA Consulting, Inc. ("Client"), CRM TECH is submitting this scope of work and cost proposal concerning an archaeological testing program to be performed on Sites 33-001530 and 33-007924 and the area in-between, within a portion of Assessor's Parcel Number 604-640-001. The sites are recorded in a vacant area located on the southern side of Miles Avenue between its intersections with State Route 111 and Washington Street. The proposed procedures will assist the City, and the Agua Caliente Band of Cahuilla Indians, in determining the extent of human cremations in Site 33-001530 and in determining the likelihood of additional significant cultural deposits being present in the rest of the subject property and Site 33-007924.

CRM TECH's recent Historical/Archaeological Resources Survey report discusses the archaeological history of the two sites that have been recorded in the study area. While Site 33-001530 was first recorded in 1978, it was not until 2002-2003 that a testing and evaluation program was performed on the site. At that time scattered human cremation remains and numerous prehistoric artifacts were recovered from the site. Portions of Site 33-007924 have been tested at different times. The results of the testing programs indicate that either sites, or portions of them, were significant and found to qualify as "historical resources" under CEQA. The recent discovery of human cremains at Site 33-001530 necessitates additional archaeological work in the project area. The Tribe has requested that the discovered cremains at Site 33-001530 be protected in place. The presence of these remains may indicate additional cultural deposits are present below the surface elsewhere in the property. This proposal, therefore, is constructed to define the extent of the human cremation remains in Site 33-001530 and to test for subsurface deposits throughout the rest of the subject property.

Scope of Work

CRM TECH proposes to accomplish the following tasks to complete the requested testing program:

1. Develop a testing program, and treatment plan, to identify issues to be investigated; to structure the testing program; and to provide guidance regarding the determination and disposition of recovered data; the testing plan will be approved by the City and the Tribe;

Tel: 909 824 6400 Fax: 909 824 6405

2. Assume primary responsibility for communicating with appropriate representatives of Agua Caliente Tribe to obtain concurrence on field work procedures and findings and site interpretation and final treatment measures and copy the City and MSA on key e-mail correspondence and verbal discussions.;
3. Complete the following field procedures:
 - Re-survey the site area to find all surface artifacts and features, map their location, collect the surface artifacts and determine the best locations for excavations;
 - Excavate archaeological shovel test pits and excavation units to explore for subsurface cultural remains and to determine the extent of the sites based on subsurface deposits;
 - the work around the cremains will start at a reasonable distance from them and carefully work towards them until all parties agree that the area of the cremains have been defined. All the work around the cremains will be done by hand;
 - work in the rest of the project area will be done according to standard archaeological procedures including the excavation of Shovel Test Pits, Surface Scrapes, and standard Excavation Units;
 - If agreed, in areas away from the cremation remains, conduct a program of archaeological backhoe trenching, in addition to hand-work, to explore more quickly for cultural deposits and establish the likely presence or absence of buried cultural deposits in the property;
4. Depending on the types of artifacts and ecofacts that are found, and with agreement from the Tribe, recovered resources will be bagged and labeled with appropriate provenience information and transported to the CRM TECH lab for processing, cataloguing, and identification;
5. Recovered artifacts will be catalogued and sorted into artifact types such as pottery fragments, lithic debitage, groundstone, animal bone, and fire-affected rock;
6. Qualified analysts will analyze all of the artifacts, or a sample of them, for attributes that provide information regarding their source, technologies used to make them, age, use, etc., to shed light on the culture of the people that used the area and left the artifacts;
7. Update the site records for the sites and submit them to the Eastern Information Center at University of California, Riverside and the Tribe, as required; the updated site records will show the locations of the excavation units and summarize the finding and conclusions of the excavation program;
8. Prepare a report which presents the results of all procedures outlined above, discusses site interpretations, evaluates the sites against CEQA criteria, and recommends additional treatment measures regarding cultural resources on the property.

Cost Proposal

The required work consists of delineating the extent of the cremation remains and determining if additional cultural deposits are present in the rest of the property. Many factors will influence the amount of work that needs to be done in the field and in the lab. Examples include, but are not limited to, numerous areas with extensive numbers of artifacts being encountered (or conversely, only a limited artifacts being recovered), intact features such as fire hearths being found (which greatly slow down excavations), hard subsurface soils, etc. So costs can only be guestimates.

As noted above, the Tribe is requesting that a Testing and Treatment Plan be developed and approved prior to work actually commencing.

- | | |
|------------------|------------|
| 1). Testing Plan | \$1,440.00 |
|------------------|------------|

Once approved we would move on to the fieldwork.

Assuming that the delineation of the cremation remains occurs quickly (3 days) and that relatively few artifacts are recovered for analyses and assuming that the only a minimal amount of work is conducted in the rest of the property (5 more days) and relatively few artifacts are recovered for analyses, the cost is estimated to be:

2. Incidentals (Port-A-Potty, Communications, etc.)	\$360.00
3. Archaeological field procedures (by hand)	\$25,070.00
5. Artifact sorting and cataloguing	\$2,680.00
6. Artifact analysis	\$9,440.00
7. Site record updates	\$1,480.00
8. Final report preparation	<u>\$6,840.00</u>
Sub-Total (items 1-8)	\$47,310.00
Native American monitor (\$85 per hour for 8 days)	\$5,440.00
Total including the Native American Monitor	\$52,750.00

If relatively few artifacts are being recovered and the work is proceeding quickly, the Client may decide to use a backhoe to explore more area and increase the probability of knowing if buried cultural deposits are present on the property. Assuming that a backhoe is used for two (2) days, the cost (which would be in addition to the above) can be presented as the following:

Backhoe rental (2 days)	\$2,240.00
Three Archaeologists for 2 days	\$3,200.00
One Native American monitor for 2 days	\$1,360.00
Total for 2 days of backhoe fieldwork	\$6,800.00

Notes

Many variables can affect the amount of time needed in the field and to analyze the recovered artifacts. The estimated costs, however, are based on past experiences and mental templates gleaned from years of work in this desert environment (which could prove to be incorrect in this case). It is expected that this is a fair and reasonable estimate of the amount of work and the cost of this testing program. If less work is determined sufficient, the cost would be reduced accordingly; if excessively more work is deemed necessary, a change order may be required.

Having spoken with Patricia Garcia, this proposal is based on the Tribe allowing us to do minimal, non-destructive analyses on most of the artifacts and ecofacts recovered from the area.

The City will need to develop a preservation plan, in consultation with the Tribe, to preserve and protect the cremation area.

The cost is based on the assumption that no more cremations are encountered. If more cremations are encountered, it is assumed that the City and the Tribe would consult to develop a plan for moving forward. A change order would likely be needed to do more work, if that is what the City and the Tribe agree.

Reimbursable Expenses

The price quoted here includes items such as mileage, copies, printing, equipment maintenance and depreciation, and administrative fees. These types of "reimbursable" expenses or indirect costs will not be added to our invoice. The cost of renting the backhoe is included in the cost provided above.

Project Schedule

The testing program will commence upon authorization to proceed. The study will be completed, and the final report submitted, at a later date to be determined with the Client.



**CITY OF INDIAN WELLS
PROFESSIONAL SERVICES AGREEMENT**

1. PARTIES AND DATE.

This Agreement is made and entered into this **21th** day of **May, 2015**, by and between the **City of Indian Wells**, a municipal organization organized under the laws of the State of California with its principal place of business at 44-950 Eldorado Drive, Indian Wells, California 92210-7497 (“City”) and **MSA Consulting**, an **Incorporation** with its principal place of business at **34200 Bob Hope Drive, Rancho Mirage, CA 92270** (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing **Environmental Services for Phase II Cultural Study** services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such services for the **Miles Avenue Parking Lot** project (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional **Environmental Services for Cultural Study** consulting services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **May 21, 2015** through **December 31, 2015**, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: **Paul DePalatis**

3.2.5 City's Representative. The City hereby designates **Warren Morelion**, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates **Paul DePalatis**, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Agreement until it has provided evidence satisfactory to the City that it has

secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence/\$2,000,000 in the aggregate, for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident/\$1,000,000 in the aggregate, for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 per claim, and shall be endorsed to include contractual liability.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying

coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Consultant shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the City.

3.2.10.8 Verification of Coverage. Consultant shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each

insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Sixty Seven Thousand Seven Hundred Ninety Dollars (\$67,790)** without written approval of City's **Community Development Director**. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 [Intentionally Omitted]

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant:

MSA Consulting, Inc.
Mr. Paul De Palatis
34200 Bob Hope Drive
Rancho Mirage, CA 92270

City:

City of Indian Wells
44-950 Eldorado Drive, Indian Wells
California 92210-7497
Attn: Warren Morelion

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement (“Documents & Data”). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City’s sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City’s name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 [INTENTIONALLY OMITTED]

3.5.6 Indemnification. Consultant, on behalf of itself and its officers, employees and agents (all of said parties are herein collectively referred to as the “Indemnitor”), shall indemnify, protect, defend and hold City and its respective officials, officers, employees and agents (all of said parties are herein collectively referred to as the “Indemnitee”) harmless from and against liability, damage, claims, actions and expenses to the extent they arise out of: (i) the negligent act, error or omission of an Indemnitor; (ii) the willful misconduct of an Indemnitor; or

(iii) the willful breach of any provision of this Agreement by an Indemnitor, excluding any such claim or liability to the extent arising from the negligence or willful misconduct of an Indemnitee or any third party. Notwithstanding the above, the Indemnitor has no obligation to pay for any defense related cost prior to a final determination of its liability. Following any such determination of its liability, Indemnitor shall be responsible to pay an amount of such costs equal to the finally determined percentage of liability based upon the comparative fault of the Indemnitor.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise

Specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.18 Prohibited Interests. Consultant warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of any City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self- insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party

warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

CITY OF INDIAN WELLS

MSA CONSULTING, INC.

By: _____
Wade McKinney
City Manager

By: _____
Robert S. Smith
President

Attest:

Anna Grandys
Chief Deputy City Clerk

Approved as to Form:

Best Best & Krieger LLP
City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

1. ***MSA Phase 2 Cultural Support*** - Provide up to 16 hours of on-call consultation to the City to assist in facilitating discussions with the Agua Caliente Band of Cahuilla Indians related to the Miles Avenue parking lot. Retain consultant for Phase 2 cultural study and review/comment on consultant's report. Attend up to two on-site meetings with the City and Tribe.

CLIENT RESPONSIBILITIES and ASSUMPTIONS

The following has been taken into consideration in the preparation of this proposal:

1. City will serve as primary government to government contact with the Tribe.
2. City will provide written authorization of the contract.

EXCLUSIONS

Consulting services relating to any of the following tasks are presently specifically excluded from the agreement. Some items, if required, may be provided by Consultant by separate written proposal with additional fees approved by the Client:

1. Consultation extending beyond this scope of services.
2. Preservation area cover or grading designs.

EXHIBIT "B"

SCHEDULE OF SERVICES

The term of this Agreement shall be from May 8, 2015 to December 31, 2015, unless earlier terminated as provided herein.

EXHIBIT "C"
COMPENSATION

COMPENSATION

Client agrees to compensate Consultant for such services as follows:

Task/Description	Fee
Environmental Services.....	\$67,790
1 MSA - Phase 2 Cultural Support.....	\$8,240
1 CRM Tech – Phase 2 Cultural Study.....	\$59,550



CURRENT HOURLY BILLING RATES
April 1, 2015

CLASSIFICATION	HOURLY RATES
<u>Principal Engineering Services</u>	
Principal Engineer	\$225.00
<u>Planning/Environmental Services</u>	
Director of Design Development	205.00
Director of Planning	205.00
Director of Environmental Services	170.00
Principal Planner	205.00
Design Development Coordinator	135.00
Environmental Planner	120.00
Planner	100.00
CADD Technician	90.00
<u>Survey Services</u>	
Director of Surveying and Mapping	205.00
Survey Manager	170.00
Senior Surveyor	150.00
Senior Surveying Technician	135.00
CADD Designer	115.00
CADD Technician	90.00
One-Man Survey Crew (Field)	140.00
One-Man Survey Crew (Prevailing Wage)	155.00
Two-Man Survey Crew	225.00
Two-Man Survey Crew (Prevailing Wage)	250.00
Three-Man Survey Crew	285.00
Three-Man Survey Crew (Prevailing Wage)	320.00
<u>Utility Services / Construction Administration</u>	
Director of Utility Services	155.00
Utility Project Manager	155.00
Construction Manager	115.00
CADD Technician	90.00
<u>Design Engineering Services</u>	
Director of Design Services	205.00
Senior Project Manager	205.00
Project Manager	170.00
Assistant Project Manager	95.00
Senior Project Engineer	155.00
Project Engineer	145.00
Senior Designer	140.00
Assistant Project Engineer	105.00
CADD Designer	115.00
CADD Technician	90.00
<u>Administrative Services</u>	
Administrative Assistant	75.00

The above rates include all labor, materials and incidental expenses such as vehicle mileage, postage, toll calls, and survey materials. Not included are reproduction costs, title company charges, special mailing charges, application, filing or permit fees or survey monuments.