

**LA HABRA HOUSING AUTHORITY  
PROFESSIONAL SERVICES AGREEMENT  
WITH  
AUGUSTA COMMUNITIES, LLC**

THIS AGREEMENT is made and entered into this 1<sup>st</sup> day of December 2025 (“Effective Date”), by and between the LA HABRA HOUSING AUTHORITY, (“Authority”), and AUGUSTA COMMUNITIES LLC., a California limited liability corporation (“Consultant”).

**WITNESSETH:**

A. WHEREAS, Authority proposes to utilize the services of Consultant to provide asset management, property management, and manufactured housing consulting services related to Park La Habra Mobile Homes and View Park Mobile Home Estates, located at 1731 and 1750 West Lambert Road as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, Authority and Consultant desire to contract for the specific services described in Exhibit “A” (the “Project”) and desire to set forth their rights, duties, and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of Authority/City has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

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

**1.0. SERVICES PROVIDED BY CONSULTANT**

1.1. Scope of Services. Consultant shall provide the professional services described in the Consultant’s Proposal (“Proposal”), attached hereto as Exhibit “A” and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise Authority of any changes in any laws that may affect Consultant’s performance of this Agreement. Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. Officers and employees shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

1.3. Performance to Satisfaction of Authority. Consultant agrees to perform all the work to the complete satisfaction of the Authority and within the hereinafter specified. Evaluations of the work will be done by the Executive Director or his or her designee. If the quality of work is not satisfactory, Authority in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State, and local laws and ordinances applicable to the services required under this Agreement. Consultant warrants that it is not suspended or debarred from doing business with the United States government and can legally be paid from federal funds. Consultant shall indemnify and hold harmless Authority from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against Authority for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender, or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

Consultant shall, in all solicitations and advertisements for employees placed by, or on behalf of Consultant shall state that all qualified applicants will receive consideration for employment without regard to age, race, color, religion, sex, marital status, national origin, or mental or physical disability. Consultant shall cause the paragraphs contained in this Section to be inserted in all subcontracts for any work covered by the Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

1.6. Non-Exclusive Agreement. Consultant acknowledges that Authority may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of Authority. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense. All insurance requirements contained in this Agreement are independently applicable to any and all subcontractors that Consultant may engage during the term of this Agreement.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of Authority. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by Authority. Authority shall grant such authorization if disclosure is required by law. All Authority data shall be returned to Authority upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

## **2.0. COMPENSATION AND BILLING**

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "A". Consultant's total compensation shall not exceed Five hundred seventy-eight thousand nine hundred thirty-one dollars (\$578,931.00) per year, and will be adjusted annually beginning in November 2026 by the percentage change in the CPI for Consumer Price Index, Los Angeles-Long Beach-Anaheim, All Items, 1982-84=100 base, All Urban Consumers (CPI-U) published the month prior to the first month of the Authority's new fiscal year. Thereafter, the Fee for Services will be adjusted by such change in CPI as published each January prior to the Authority's fiscal year, unless authorized herein.

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal or which is inconsistent with or in violation of the provisions of this Agreement unless the Authority or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable. Should the Authority request in writing additional services that increase the hereinabove described "Scope of Services", an additional fee based upon the Consultant's standard hourly rates shall be paid to the Consultant for such additional services. Such increase in additional fees shall be limited to 10% of the total contract sum. The Authority Manager is authorized to approve a Change Order for such additional services. Where the original contract is \$35,000.00 or less, Authority Council approval shall be required prior to any increase bringing the total compensation to more than \$35,000.00.

2.3. Method of Billing. Consultant may submit invoices to the Authority for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to Authority's sole satisfaction. Authority shall pay Consultant's invoice within forty-five (45) days from the date Authority receives said invoice. Each invoice shall describe in detail the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to Authority or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

## **3.0. TIME OF PERFORMANCE**

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence immediately from the Effective Date of

this Agreement. Said services shall be performed in strict compliance with the Project Schedule approved by Authority as set forth in Exhibit "A".

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party. If a delay beyond the control of the Consultant is encountered, a time extension may be mutually agreed upon in writing by the Authority and the Consultant. The Consultant shall present documentation satisfactory to the Authority to substantiate any request for a time extension.

#### **4.0. TERM AND TERMINATION**

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of 60 months, ending on November 30, 2030, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The Authority reserves and has the right and privilege of canceling, suspending, or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing at least fifteen (15) days prior written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the Authority. If the Authority suspends, terminates, or abandons a portion of this Agreement such suspension, termination, or abandonment shall not make void or invalidate the remainder of this Agreement.

If the Consultant defaults in the performance of any of the terms or conditions of this Agreement, it shall have ten (10) days after service upon it of written notice of such default in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the Authority shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

The Authority shall have the right, notwithstanding any other provisions of this Agreement, to terminate this Agreement, at its option and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement, immediately upon service of written notice of termination on the Consultant, if the latter should:

- a. Be adjudged a bankrupt;
- b. Become insolvent or have a receiver of its assets or property appointed because of insolvency;
- c. Make a general assignment for the benefit of creditors;
- d. Default in the performance of any obligation or payment of any indebtedness under this Agreement;
- e. Suffer any judgment against it to remain unsatisfied or unbonded of record for thirty (30) days or longer; or

- f. Institute or suffer to be instituted any procedures for reorganization or rearrangement of its affairs.

4.3. Compensation. In the event of termination, Authority shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of Authority's written notice of termination within thirty-five (35) days after service of the notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the Authority or in the possession of the Consultant. Authority shall not be liable for any claim of lost profits.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps, and reports, shall be delivered to the Authority within ten (10) days of delivery of termination notice to Consultant, at no cost to Authority. Any use of uncompleted documents without specific written authorization from Consultant shall be at Authority's sole risk and without liability or legal expense to Consultant.

## **5.0. INSURANCE**

5.1. Insurance. The Consultant and all subcontractors, if any, shall procure and maintain, at its sole cost and expense, unless otherwise approved in writing by the Authority, in a form and content satisfactory to Authority, during the entire term of this Agreement, including any extension thereof, insurance as set forth in Exhibit "B" attached hereto and incorporated herein by this reference.

Neither the Authority nor any of its officers, officials, agents, employees, or volunteers makes any representation that the types of insurance and the limits specified to be carried by Consultant under this Agreement are adequate to protect Consultant. If Consultant believes that any such insurance coverage is insufficient, Consultant shall provide, at its own expense, such additional insurance as Consultant deems adequate.

5.2. Deductible or Self-Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by Authority. No policy of insurance issued as to which the Authority is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.3. Certificates of Insurance. Consultant shall provide to Authority certificates of insurance showing the insurance coverages, as well as providing the Authority with the required endorsements in a form and content approved by Authority, prior to performing any services under this Agreement. The certificates of insurance and endorsements shall be attached hereto as Exhibit "C" and incorporated herein by this reference.

5.4. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

## 6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The Executive Director or his or her designee shall be the representative of Authority for purposes of this Agreement and may issue all consents, approvals, directives, and agreements on behalf of the Authority, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives, and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. Authority shall designate a Project Manager to work directly with Consultant in the performance of this Agreement. It shall be the Consultant's responsibility to assure that the Project Manager is kept informed of the progress of the performance of the services and the Consultant shall refer any decision, which must be made by Authority, to the Project Manager. Unless otherwise specified herein, any approval of Authority required hereunder shall mean the approval of the Project Manager.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with Authority during the term of this Agreement and who shall not be changed by Consultant without the express written approval by the Authority. Consultant or its Project Manager shall attend and assist in all coordination meetings called by Authority.

6.4. Notices. Any notices, documents, correspondence, or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or if mailed, shall be addressed as set forth below and placed in a sealed envelope, postage prepaid, and deposited in the United States Postal Service. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 72 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Augusta Communities, LLC  
400 N. Mountain Avenue, Suite 205  
Upland, CA, 91786  
Tel: 909.981.0192  
Attn: Suzanne Taylor

IF TO AUTHORITY:

La Habra Housing Authority  
110 East La Habra Blvd.  
La Habra, CA 90633  
Tel: 562.383.4010  
Attn: Jim Sadro, Executive  
Director

6.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.6. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California. Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

6.7. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet, or encumber all or any part of Consultant's interest in this Agreement without Authority's prior written consent. Any attempted assignment, transfer, subletting, or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of Authority's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.8. Indemnification and Hold Harmless. Consultant agrees to protect, defend, indemnify, and hold free and harmless the Authority/City, its officers, officials, agents, employees, and volunteers, at Consultant's sole expense, from and against any and all claims, liabilities, demands, actions, expenses, damages, suits or other legal proceedings brought against the Authority, its officers, officials, agents, employees, and volunteers arising out of or in any way connected with the performance of the Consultant, its employees, and/or authorized subcontractors' work undertaken pursuant to this Agreement including all acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of the Consultant, its employees and/or subcontractors. The defense obligation provided for hereunder shall apply whenever any claim, action, complaint or suit asserts liability against the Authority/City, its officers, officials, agents, employees, and volunteers based upon the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable, and whether or not there is any evidence of fault or wrongdoing by the Consultant, its employees and/or its subcontractors. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the Authority/City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the Authority/City. This provision shall supersede and replace all other indemnity provisions contained either in the Authority/City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.9. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of Authority/City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of Authority or otherwise act on behalf of Authority as an agent. Neither Authority/City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of Authority/City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold Authority/City harmless from any and all taxes, assessments, penalties, and interest asserted against Authority/City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold Authority/City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. Authority/City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Authority from Consultant as a result of Consultant's failure to promptly pay to Authority/City any reimbursement or indemnification arising under this paragraph.

6.10. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the Authority/City, Consultant shall indemnify, defend, and hold harmless Authority/City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Authority/City.

Notwithstanding any other agency, State, or Federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by Authority/City, including but not limited to eligibility to enroll in PERS as an employee of Authority/City and entitlement to any contribution to be paid by Authority/City for employer contribution and/or employee contributions for PERS benefits.

6.11. Cooperation. In the event any claim or action is brought against Authority/City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which Authority might require.

6.12. Ownership of Documents. All findings, reports, documents, information, and data including, but not limited to, computer tapes or discs, preliminary notes, working documents, files, and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of Authority. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of Authority but shall be made available to the Authority within ten (10) days of request or within ten (10) days of termination. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of Authority and without liability or legal exposure to Consultant. Authority shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from Authority's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by

Consultant. Consultant shall deliver to Authority any findings, reports, documents, information, data, preliminary notes and working documents, in any form, including but not limited to, computer tapes, discs, files audio tapes, or any other Project related items as requested by Authority or its authorized representative, at no additional cost to the Authority. Consultant or Consultant's agents shall execute such documents as may be necessary from time to time to confirm Authority's ownership of the copyright in such documents.

6.13. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information, and data, including, but not limited to, computer tapes, discs, or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to Authority may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 7920.000 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 7924.510, and of which Consultant informs Authority of such trade secret. The Authority will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The Authority shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.14. Conflict of Interest. Consultant and its officers, employees, associates, and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates, and subconsultants shall not, without the prior written approval of the Authority Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates, or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant's duties and services under this Agreement shall not include preparing or assisting the Authority with any portion of the Authority's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the Authority. The Authority shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Consultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Consultant shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project, if any, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by Consultant pursuant to this Agreement.

6.15. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the Authority's representative, regarding any services rendered under this Agreement at no additional cost to Authority. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to Authority, provide all necessary design drawings, estimates, and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of Authority and to participate in any meeting required with regard to the correction.

6.16. Prohibited Employment. Consultant will not employ any regular employee of Authority while this Agreement is in effect.

6.17. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, the conflict shall be resolved by giving precedence in the following order, if applicable: This Agreement, the Authority's Request for Proposals, the Consultant's Proposal.

6.18. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.19. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of Authority and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.20. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.21. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.22. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.23. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.24. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.26. Corporate Authority. The persons executing this Agreement on behalf of the

parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

LA HABRA HOUSING AUTHORITY,  
A municipal corporation

\_\_\_\_\_  
Jim Sadro, Executive Director

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

ATTEST:

\_\_\_\_\_  
Rhonda J. Barone, Authority Secretary

CONSULTANT:

\_\_\_\_\_  
Suzanne Taylor  
Augusta Communities, LLC

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

APPROVED AS TO FORM:

\_\_\_\_\_  
Keith F. Collins, City Attorney

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

## EXHIBIT A

### CONSULTANT'S PROPOSAL AND SCOPE OF WORK

This Amended and Restated Exhibit "A" supersedes and replaces the prior Exhibit A attached to the Agreement for Services dated November 4, 2019, between the La Habra Housing Authority and Augusta Communities, LLC, in its entirety.

#### **Scope of Services**

Augusta Communities, LLC (the "Consultant") will provide comprehensive program administration and management services designed to lessen the burdens of the La Habra Housing Authority (the "Authority") and its related agencies, authorities, boards or commissions by undertaking the operation and management of the manufactured housing communities of Park la Habra and View Park, and for developing specialized affordable housing and resident services programs for the benefit of the low and moderate income households who reside there. Park La Habra is a 108-space community located at 1731 W Lambert Rd, La Habra, CA, and View Park is a 143-space community located at 1750 W Lambert Rd, La Habra, CA (the "Communities") are owned by the La Habra Housing Authority (the "Authority") in furtherance of its collective affordable housing goals.

#### **Services to be Provided**

- 1) At the request of Authority staff, Consultant will prepare reports and presentations, or meet with Authority staff, related agencies, authorities, boards or commissions, or community members.
- 2) The Consultant will retain and manage a third party independent professional property management firm that specializes in manufactured housing communities ("Property Manager") to operate and maintain all common area interior and exterior improvements and common buildings (exclusive of the mobile homes and tenant spaces), including landscaping, in good condition and repair, including necessary replacements and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies.
  - a) The Property Manager must be acceptable to the Authority, which for purposes hereof is Les Frame Enterprises, Inc., and is accepted as the Property Manager in accordance with the terms and conditions substantially described in Exhibit "B" attached hereto.
  - b) The Consultant will cause the Property Manager to maintain strict enforcement of all rules and regulations applicable to the property
  - c) The duties of the Property Manager will be detailed in a property management agreement, which is subject to review and approval by the Authority. Duties will include, but not be limited to, the operation and maintenance, insurance and fiduciary responsibilities, contracts, recordkeeping, reporting, banking, and employment.

- d) The Property Manager will make every reasonable effort to employ a community management team that lives off-site but works on-site during normal operating hours.
  - e) The Property Manager will make every reasonable effort to retain an after-hours employee who lives on-site in the Communities to handle after-hours emergencies.
  - f) The Property Manager will cause a supervisor to visit the site and meet with the community manager no less than two times per month.
- 3) The Consultant will prepare and submit the following reports:
- a) Monthly financial statements, including the statement of income, balance sheet, cash flow, and budget variances. In the event revenues are less than 90% of budget for any two consecutive months, or in the event operations and maintenance costs exceed 110% of the budget for any two consecutive months, the Consultant will contact the Authority to discuss reasons for the budget variance.
  - b) Monthly at-a-glance management report (revenue variance, expense variance and ratios, NOI, maintenance, home sales, capital improvements, home rehabilitation, requisition summaries, delinquency, occupancy, average rent, legal actions, turnover, new move-ins, 3/60 notices, 60-day notices, complaints, clubhouse events, financial assistance or housing credits, etc.)
  - c) Quarterly income eligibility and affordability compliance reports (as directed by the Authority)
  - d) Comprehensive annual report (financial statements, historical operating results, capital improvements, affordability, and resident services).
  - e) The Consultant will prepare and file all compliance reports required by the Authority or other regulatory agency as directed.
- 4) The Consultant will conduct regular bi-annual meetings with homeowners.
- 5) The Consultant will conduct a monthly inspection of the Communities and provide notice to the Property Manager of any significant deficiencies. If the deficiency cannot be corrected within a reasonable period of time, the Consultant will notify the Authority.
- 6) Annually, the Consultant will recertify the income of the occupants of the Communities through an income certification process developed by the Consultant and approved by the Authority.
- 7) The Consultant will prepare the annual budget for the Authority by March 20th of each year. The Authority will provide written comments to the Consultant on the proposed budget within 15 days of the receipt of the proposed budget from the Consultant. The Consultant will submit a final budget within 15 days thereafter. For any item in a budget for which the Authority disagrees, representatives of the Consultant and the Authority will meet and confer in good faith to attempt to reach a compromise. In the event that no agreement is reached or no budget is approved, the treatment given to such item in the prior year's annual budget will be followed to ensure the continuing operation of the Communities.

- 8) The Consultant will reasonably cooperate with and make available to Authority the books, records, and other materials that such persons may reasonably request, including full disclosure to the Authority's auditors.
- 9) The Consultant will confirm that the Property Manager deposits with the Authority or its agent the revenues generated by the Communities as indicated in a schedule to be provided by the Authority.
- 10) The following work program is proposed:
  - a) Develop income certifications, demographic, and resident satisfaction survey in coordination with the Authority
  - b) Evaluate current rental agreements, develop standard rental agreements, and update park rules and regulations, as needed
  - c) Update emergency evacuation plan
  - d) Replace older units with new, modern, energy-efficient homes, in coordination with the Authority
  - e) Housing Authority to purchase a space and rehab/replace a unit for a potential on-site manager's unit
  - f) Design a Homeowner Step Improvement Program to assist owners with replacing deteriorated steps, in coordination with the Authority
  - g) Conduct ongoing unit and site inspections of existing housing stock for health and safety issues
  - h) hanging amenities in Park La Habra (removing carwash and laundry, and redesigning laundry and including a new playground or tot lot, along with additional parking if space permits) in coordination with the Authority

### **Compensation**

Fee for Services. In consideration of the services to be provided by the Consultant pursuant to this proposal, the Consultant will receive as compensation a monthly fee for the three service areas in the approximate amounts as described below and in the FY 2025-2026 budget approved by the Authority. Such compensation will vary by budget year but in no event will compensation in this Section exceed in the amount in Section 2.1 of the Agreement.

- a) Property Management \$12,748 - month for property management services plus reimbursements for insurance required under this agreement

- b) Community Personnel - \$19,708 per month, which includes any combination of the following positions:
    - i) Manager 1 (FT)
    - ii) Manager 2 (FT)
    - iii) Maintenance 1 (FT)
    - iv) Maintenance 2 (PT)
    - v) Coverage 1 – (PT) stipend/rent credit, plus hourly for properly documented work time
    - vi) Coverage 2 – (PT) stipend/rent credit, plus hourly for properly documented work time
  - c) Asset Management - \$13,350 per month for affordable housing program development, administration, and management services
- 2) Annual Adjustments: The Fee for Services will increase each November based on the percentage change in the Consumer Price Index, Los Angeles-Long Beach-Anaheim, All Items, 1982-84=100 base, All Urban Consumers (CPI-U), published in the preceding January.
  - 3) Payment of the Fee for Services. The Fee for services will be drawn directly from the Project's operating account at the beginning of the first day of the contract and thereafter at the beginning of each calendar month, and will be paid in separate amounts to the property management firm (for property management and community personnel) and to the Consultant.
  - 4) Compensation for Extra Work. If the Authority requests Extra Work, including dealer services, capital project management, additional personnel request, special projects, or resident services such as homework clubs, summer camps, educational events, and community building events not included in this proposal, Authority will pay the Consultant for such additional services an amount agreed upon by the parties in writing prior to the commencement (unless in the case of an emergency) of such additional services.

### **Enforcement of Lease**

Consultant, its agents, representatives, employees, or subconsultants shall use commercially reasonable efforts to enforce the terms of all leases and to collect all rents and other charges due from or payable by tenants, concessionaries, if any, and others in accordance with the leases and authorized use of the Project. Authority authorizes Consultant to request, demand, collect, receive and receipt for all such rent and other charges and, subject in each instance to the prior written approval of Authority (except that such approval shall not be required for the write off of any late charges or default interest payable by a tenant or to write off not more than Seven Thousand Five Hundred and No/100 Dollars (\$7,500.00) in a tenant's other monetary obligations under its lease), to settle or compromise the payment of such amounts of such amounts.

All preliminary enforcement actions, including dunning letters and threats of litigation, and all preparation for monitoring litigation and settlement of claims, shall be

performed by Consultant. Consultant shall provide written notice to Authority of any legal proceedings instituted for the collection of rent or for the dispossession of tenants in the normal course of operations. All legal proceedings for the collection of rent or dispossession of tenants shall be conducted by counsel approved in writing by the Authority and the fees for such services shall be billed to Project by such counsel and paid by Project as and when due. Consultant shall notify all tenants of the Project of any rules, regulations or notices, which may be promulgated by Authority.

## EXHIBIT B

### INSURANCE REQUIREMENTS

The Authority reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement, or endorse the policies to do so.

Without limiting the indemnity provisions of this Agreement, the Consultant shall procure and maintain in full force and effect during the term of this Agreement, the following policies of insurance.

#### 1. Minimum Scope and Limit of Insurance

- A. **Commercial General Liability (CGL)** which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- B. **Automobile Liability Insurance** with coverage at least as broad as Insurance Services Office Form CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, coverage for hired autos (Code 8) and non-owned autos (Code 9) with limit no less than \$1,000,000 each accident for bodily injury and property damage.
- C. **Workers' Compensation** as required by the State of California with statutory limits, and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury or disease.
- D. **Professional Liability** with limit of not less than \$1,000,000 each claim and \$2,000,000 aggregate. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusion that may potentially delete coverage for the work to be performed.
- E. **Bond Crime Comprehensive Crime Coverage**, including employee dishonesty/fidelity coverage, covering the theft, loss and destruction of money and securities, in an amount not less than \$2,000,000.

#### 2. Endorsements

Insurance policies shall not be compliant if they include any limiting provision or endorsement contrary to this Agreement, including but not limited to restricting coverage to the sole liability of consultant, excluding contractual liability or excluding third party over actions. The following endorsements shall be provided to the Authority/City.

##### A. **Commercial General Liability and Automobile Liability Policies:**

- 1. **Additional Insured:** The Authority and Authority/City of La Habra, its elected officials, officers, employees, volunteers, boards, agents, and representatives are to be covered as additional insureds for the liability and defense of suits or claims arising out of the work or operations performed by or on behalf of Consultant including materials, parts or equipment furnished in connection with such work or operations.

The commercial general liability additional insured endorsements shall be at least as broad as ISO Form(s) CG 20 10 11 85; CG 20 10, or CG 20 26.

2. **Primary and Non-Contributory:** This insurance is primary to and will not seek contribution from any other insurance whether primary, excess, umbrella, or contingent insurance, including deductible, or self-insurance available to the Authority/City, its elected officials, officers, employees, volunteers, boards, agents, and representative as additional insureds.

The Commercial General liability primary endorsements shall be at least as broad as ISO CG 20 01 04 13.

**B. Workers' Compensation:**

1. **Waiver of Subrogation:** Any right of subrogation against the Authority/City, its elected officials, officers, employees, volunteers, boards, agents, and representatives shall be waived.

3. **Insurance Obligations of Consultant**

The City requires and shall be entitled to the Consultant's broader coverage and/or the higher limits if Consultant maintains broader coverage and/or higher limits than the minimums shown above. Any available insurance proceeds excess of the specified minimum limits of insurance and coverage shall be available to the City. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of Consultant under this Agreement.

4. **Notice Of Cancellation**

Required insurance policies shall not be cancelled or coverage reduced until thirty (30) days written notice of cancellation has been served upon the Authority/City, except ten (10) days shall be allowed for non-payment of premium.

5. **Waiver Of Subrogation**

Required insurance policies shall not prohibit Consultant from waiving the right of subrogation prior to a loss. The Consultant shall waive all rights of subrogation against the indemnified parties and policies shall contain or be endorsed to contain such a provision. This provision applies regardless of whether the Authority/City has received a waiver of subrogation endorsement from the insurer.

6. **Evidence Of Insurance**

All policies, endorsements, certificates, and/or binders shall be subject to approval by the Authority/City as to form and content. These requirements are subject to amendment or waiver only if approved in writing by the Authority/City. The Authority/City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the Authority/City. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the Authority/ City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

7. **Self-Insured Retention**

Self-insured retentions (SIR's) must be declared to and approved by the Authority/City. The Authority/City may require Consultant to purchase coverage with a lower retention or provide proof of

ability to pay losses and related investigations, claim administration, and defense expenses within the SIR. The policy language shall provide, or be endorsed to provide, that the SIR may be satisfied by either the named insured or the Authority/City. Self-insured retentions shall be the sole responsibility of Consultant or subcontractor who procured such insurance. The Authority/City may deduct from any amounts otherwise due Consultant to fund the SIR. The policy must also provide that defense costs, including the allocated loss adjustment expenses, will satisfy the SIR.

8. **Contractual Liability**

The coverage provided shall apply to the obligations assumed by Consultant under the indemnity provisions of this Agreement.

9. **Failure To Maintain Coverage**

The Consultant agrees to suspend and cease all operations hereunder during such time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the Authority/City. The Authority/City shall have the right to withhold any payment due until the Consultant has fully complied with the insurance provisions of this Agreement. If the Consultant's operations are suspended for failure to maintain required insurance coverage, Consultant shall not be entitled to an extension of time for completion of the work because of production lost during suspension.

10. **Acceptability Of Insurers**

Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law. Any other rating must be approved in writing by the Authority/City.

11. **Claims Made Policies**

If coverage is written on a claims-made basis, the retroactive date of such insurance and all subsequent insurance shall coincide or precede the effective date of Consultant's initial Agreement with the Authority/City and continuous coverage shall be maintained, or an extended reporting period shall be exercised for a period of at least ten (10) years from termination or expiration of this Agreement.

12. **Excess Umbrella Liability Policies**

If any excess or umbrella liability policies are used to meet the limits of liability required by this Agreement, then said policies shall be "following form" of the underlying policy coverage, terms, conditions, and provisions and shall meet all the insurance requirements stated in this Agreement, including, but not limited to the additional insured, primary & non-contributory and waiver of subrogation insurance requirements stated herein. No insurance policies or self-insurance maintained by the Authority/City, whether primary, reinsurance or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until Consultant's primary and excess/umbrella liability policies are exhausted.

13. **Insurance For Subcontractors**

Consultant shall be responsible for causing subcontractors to purchase the same types and limits of insurance in compliance with the terms of this Agreement, including adding the Authority/City as an additional insured, providing primary and non-contributory coverage and waiver of subrogation to the subcontractor's policies.

**INDEMNIFICATION PROVISION:**

The indemnification section should be separate from the insurance section, and the following should be added to the indemnification provision of this Agreement:

**“These indemnification provisions are independent of and shall not in any way be limited by the insurance requirements of this Agreement. Authority/City approval of the insurance required by this Agreement does not in any way relieve Consultant from liability under this section.”**

**INDEMNIFICATION LANGUAGE SHOULD BE REVIEWED AND APPROVED BY LEGAL COUNSEL.**

**EXHIBIT C**  
**CERTIFICATES OF INSURANCE AND ENDORSEMENTS**