



Monterey County Board of Supervisors

Board Order

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement no.: A-15293

- a. Approve a Standard Agreement with Eugene Burger Management Corporation to provide property management services at the Kents Court Housing Development in Pajaro, CA in the amount not to exceed \$700,000 and for a term beginning June 8, 2021 to June 30, 2024;
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute the Standard Agreement and future amendments to the Agreement where the amendment does not significantly alter the scope of work and does not exceed the original Agreement amount.

PASSED AND ADOPTED on this 8th day of June 2021, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams

NOES: None

ABSENT: None

(Government Code 54953)


I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 8, 2021.

Dated: June 14, 2021

File ID: A 21-213

Agenda Item No.: 66

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California


Julian Lorenzana, Deputy

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Eugene Burger Management Corporation ,
 (hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide:

Property Management Services at Kents Court in Pajaro, CA

2.0 PAYMENT PROVISIONS:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: \$ 700,000.00

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from June 8, 2021 to June 30, 2024, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Incorporation of Request for Proposals (RFP) # 10768, Addendum No. 1 to RFP #10768, and Proposal Documents

5.0 PERFORMANCE STANDARDS:

- 5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.
- 5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

- 6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.
- 6.03 Invoice amounts shall be billed directly to the ordering department.
- 6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7.0 TERMINATION:

- 7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

- 7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. “Good cause” includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.
- 7.03 The County’s payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County’s purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys’ fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR’s performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. “CONTRACTOR’s performance” includes CONTRACTOR’s action or inaction and the action or inaction of CONTRACTOR’s officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

- 9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a “Certificate of Insurance” certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County’s Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a “Notice to Proceed” with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

- 9.02 **Qualifying Insurers:** All coverage’s, except surety, shall be issued by companies which hold a current policy holder’s alphabetic and financial size category rating of not less than A- VII, according to

the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

- 9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Requestor must check the appropriate Automobile Insurance Threshold:

Requestor must check the appropriate box.

☐ **Agreement Under \$100,000 Business Automobile Liability Insurance:** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

☒ **Agreement Over \$100,000 Business Automobile Liability Insurance:** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or

errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a “claims-made” basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage (“tail coverage”) with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR’S work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR’S insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County’s contract administrator and County’s Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 **RECORDS AND CONFIDENTIALITY:**

- 10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.
- 10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Shandy Carroll, Management Analyst III	Steve Burger, President
Name and Title	Name and Title
1441 Schilling Place, South 2nd Floor Salinas, California 93901-4521	6600 Hunter Drive Rohnert Park, CA 94928
Address	Address
(831) 784-5643	(707) 584-5123
Phone:	Phone:

15.0 MISCELLANEOUS PROVISIONS.

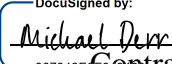
- 15.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.
- 15.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 15.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

- 15.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08 **Compliance with Applicable Law:** The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.
- 15.12 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 15.17 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

16.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.


COUNTY OF MONTEREY

By: 
DocuSigned by: 367942E0C6C0201
 Date: 6/14/2021
 Contracts/Purchasing Officer

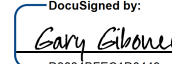
By: _____
 Date: _____
 Department Head (if applicable)

By: _____
 Date: _____
 Board of Supervisors (if applicable)

Approved as to Form¹

By: 
DocuSigned by: C21D52A9D63041C...
 Date: 5/26/2021
 County Counsel

Approved as to Fiscal Provisions²

By: 
DocuSigned by: D3834BFEC1D8449
 Date: 5/27/2021
 Auditor/Controller

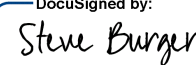
Approved as to Liability Provisions³

By: _____
 Date: _____
 Risk Management

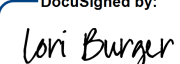
CONTRACTOR

Eugene Burger Management Corporation

Contractor's Business Name*

By: 
DocuSigned by: 1C15DB21C57A454...
 (Signature of Chair, President, or Vice-President) *

Steve Burger, President
 Name and Title
 Date: 5/26/2021

By: 
DocuSigned by: AE71708F41E34CC
 (Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasure) *
Lori Burger, Corporate Secretary
 Name and Title

Date: 5/26/2021

County Board of Supervisors' Agreement Number: _____, **approved on (date):** _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

¹Approval by County Counsel is required

²Approval by Auditor-Controller is required

³Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

**To Agreement by and between
County of Monterey, hereinafter referred to as “County”
and
Eugene Burger Management Corporation, hereinafter referred to as “CONTRACTOR”**

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Provide property management services (Services) at Kents Court Housing Development (Property). The Property consists of nineteen manufactured homes located at 9, 11, and 14 Kents Court and 77, 85 and 87 Railroad Avenue, Pajaro, CA: Assessor Parcel Number (APN) 117-281-001, 117-281-002, 117-281-003, 117-281-005, 117-281-006, and 117-281-017. Eighteen units were restricted at occupancy by households earning 80% or less of the Area Median Income (“AMI”). One unit is reserved for an on-site employee.

A.1.1 General Responsibilities of Contractor. CONTRACTOR shall manage, operate and lease the Property in accordance with the standards of practice of professional managers of affordable properties and provide other customary management services at the Property for the ordinary and usual business and affairs of the Property as are consistent with the management, operation, leasing, and maintenance of similar properties. “Customary management services” means the proper leasing of the Property, including verification of tenant income-qualifications for affordable housing, the collection of rents, the preparation of budgets and reports, the payment of appropriate bills, and the proper maintenance of the Property.

A.1.2 Specific Duties and Responsibilities of Contractor. CONTRACTOR agrees and is hereby granted authority to do the following:

A.1.2.1 Implementation of Business Plan/Budget. CONTRACTOR shall implement a business plan and/or budget set in collaboration with County on an annual basis. If County requests CONTRACTOR to perform services beyond the ordinary and usual business and affairs of the Property, CONTRACTOR shall be entitled to additional compensation for same, which compensation shall be negotiated by the parties.

A.1.2.2 Collection and Disbursement of Funds. CONTRACTOR shall use commercially reasonable and lawful efforts and means to collect the rents and other charges due from tenants and all other revenues originated by the operations of the Property. When deemed appropriate by CONTRACTOR, CONTRACTOR shall institute legal proceedings as a contractor for County for collection in connection with the operation of the Property. County authorizes CONTRACTOR to request, demand, collect, and receive funds for collection thereof in accordance with all applicable laws, regulations, ordinances or administrative grievance procedures and for the lawful dispossession of tenants, guests, and other persons from the Property. Counsel shall not

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

be used for actions taken in small claims court. Expenditures for these actions shall be approved in advance. For purposes hereof, email notification of approval by County to CONTRACTOR is acceptable. Amounts as approved and expended by CONTRACTOR for use of non-employee consultants or experts, including attorneys, in the performance of these duties are the responsibility of County and shall be billed as set forth below. *See Section B.1 Payment Provisions.*

A.1.2.3 Financial Accounts. CONTRACTOR shall establish the following accounts, which shall be fully insured by the Federal Deposit Insurance Corporation and shall be in the in the CONTRACTOR's name as Acting Agent for Kents Court.

(i.) **General Operating Account**

CONTRACTOR shall establish a separate, preferably interest-bearing, deposit account for the Property funds. This account shall be maintained solely for the operation of the Property and shall not be commingled with the CONTRACTOR's funds. Upon commencement of the term of the agreement, the CONTRACTOR shall be issued an initial deposit of Twenty Thousand Dollars (\$20,000) to be used to open the deposit account, and to initially cover for utilities and other regular operating expenses, excluding fees and compensation to the CONTRACTOR. This fund shall be regularly replenished through timely billing to the County.

An advance payment of Five Thousand Dollars (\$5,000) shall also be paid at the beginning of the term of this agreement. This shall be used to pay for compensation and fees of the CONTRACTOR and shall be regularly replenished through timely billing to the County.

CONTRACTOR shall send timely billing to the County to reimburse all operating expenses and replenish the funds in the operating account and ensure continued availability of operating funds. Invoices shall be billed to Housing and Community Development (HCD), County of Monterey.

Budget for operating expenses are estimated in the Annual Operating Budget prepared by the CONTRACTOR. This is to be included with this Agreement but will still be subject to periodic review and approval by the Executive and Finance teams of HCD.

Monthly rent payments from individual tenants shall be deposited to the operating account, to be turned over by the CONTRACTOR, by sending single payment to the County for the total rent amount collected. The preferred method of payment is through wire or ach transfer, but check payment is also acceptable. The payment to the County shall be supported with a report showing amount collected from each property unit and shall be made no later than the end of the month of the applicable rent.

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

Monthly reconciliation of this account shall be provided to the County, together with all other reports as mentioned in the Financial Reporting section A.1.2.5.

(ii.) Security Deposit Account

As necessary, CONTRACTOR shall establish a separate account to hold all tenant security deposits in the Security deposit account. If applicable, all interest or other income earned by the Security Deposit Account shall be applied solely for the purposes of the account or as otherwise directed by the County or local law if no regulatory requirements apply. In the absence of local ordinances, state law or instructions from the County, interest on the Security Deposit Account shall be transferred to the General Operating account on a monthly or quarterly basis, whichever is applicable. Disbursements of the security deposit will only be made to pay back tenant according to the term in the related lease agreement, in accordance with applicable laws and regulatory restrictions, if any.

A.1.2.4 Books, Records, and Documentation. CONTRACTOR shall maintain, either at its principal office or the Property as determined by CONTRACTOR in its sole discretion, complete and separate books, records and documents relating to the management and operation of the Property, including without limitation all contracts, original leases, amendments and other agreements relating to contracts and leases, tenant files, correspondence with tenants and prospective tenants, computations of rental adjustments, maintenance and preventive maintenance programs, construction records, inventories of personal property and equipment, correspondence with vendors, job descriptions, correspondence with federal, state and local authorities, brochures, and accounts held or maintained by CONTRACTOR ("Books, Records, and Documents"). For such purposes, Contractor may use a hosted accounting software service or similar remote access recordkeeping service, and by use of such service is deemed to maintain the books of the Property at CONTRACTOR's principal office.

- (i.) Unless otherwise instructed by County in writing, books and records of account shall be maintained in conformity with Generally Accepted Accounting Principles consistently applied at CONTRACTOR's sole expense. Except as approved in writing by County, all accounting functions shall be performed by employees of CONTRACTOR whose compensation is payable solely by CONTRACTOR without reimbursement by County. Except as otherwise provided herein, County shall have the right to examine, audit and make copies of said Books, Records and Documents at CONTRACTOR's principal office and with prior notice. County acknowledges that all software systems created and/or maintained by Contractor shall be the sole and exclusive property of Contractor. However, CONTRACTOR shall cooperate with the County in providing electronic versions of records required to be maintained by this Agreement in a software format compatible with County software systems and/or online

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

data systems utilized by the County. CONTRACTOR shall also produce useable hard copy data upon request of County.

- (ii.) Upon request, and with prior reasonable notice, CONTRACTOR shall make all Books, Records and Documents available for examination, audit, inspection and copying by duly authorized representatives of the County.

A.1.2.5 Financial Reporting.

On or before:

- (i.) the twenty-fifth (25th) day after the end of each month, CONTRACTOR shall submit a Monthly Property Management report to County. The Monthly Report shall consist of Income Statement (or Revenue and Expense Report), Balance Sheet, Cash Flow Statement, Bank Reconciliation, Budget Comparison for the month and year to date, Payable Summary, Payment Summary, Gross Potential Rent Schedule, Receivable Summary, and Bank Statement
- (ii.) the sixtieth (60th) day after the end of each fiscal year of the Property, a preliminary annual report.
- (iii.) the ninetieth (90th) day after the end of each fiscal year, a final annual report and annual financial statements.

At the request of County and with prior reasonable notice, CONTRACTOR also shall furnish such further accounting and fiscal information in a manner sufficient to respond to County's financial information requirements.

A.1.2.6 Repairs and Maintenance. CONTRACTOR shall use due professional care to maintain the condition of the Property in the condition prescribed by County, shall regularly inspect the readily accessible areas of the Property, shall take ordinarily prudent precautions against fire, vandalism, burglary and trespass on the Property, and shall arrange to make all necessary repairs. CONTRACTOR shall make no expenditures for repairs in excess of \$2,500 without the prior written consent of County, unless the expenditure for such repairs has been approved by the annual budget or such repairs are emergency repairs to the Property immediately necessary for the preservation or safety of the Property or for the safety of other persons or required to avoid suspension of necessary services to the Property. For purposes hereof, email notification of consent by County to CONTRACTOR is acceptable. CONTRACTOR shall notify County immediately of any emergency repairs. CONTRACTOR shall notify County and provide a recommendation for any proposed expenditure for repairs in excess of \$2,500, if not deemed an emergency repair as outlined above or approved in the annual budget.

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

A.1.2.7 Capital Assets. Unless CONTRACTOR has County's prior approval, CONTRACTOR shall make no expenditures in excess of \$2,500 for alterations, capital improvements, renovations or replacements of furniture, fixtures or equipment, unless such expenditure is contained in the annual budget or deemed an emergency replacement immediately necessary for the preservation or safety of the Property or for the safety of other persons or required to avoid suspension of necessary services to the Property. Notwithstanding the above, the approved annual budget with proper documentation shall be deemed authorization for CONTRACTOR to make budgeted expenditures without prior approval by County, provided that (a) the amount of the expenditure is within fifteen percent (15%) or \$2,500 of the originally approved amount, whichever is less; and (b) CONTRACTOR submits evidence of expenditure satisfactory to County. Other than replacements, CONTRACTOR shall make no disposition of fixed assets, as determined in accordance with County's Chart of Accounts, with a value in excess of \$2,500 without County's prior written approval. For purposes hereof, email notification of approval by County to CONTRACTOR is acceptable. CONTRACTOR shall notify County and provide a recommendation for any proposed capital improvement, renovation or replacement expenditure in excess of \$2,500.

A.1.2.8 Contracts, Equipment Leases and Credit Accounts. County hereby authorizes CONTRACTOR to make and enter contracts for budgeted services and supplies, equipment leases and credit accounts on behalf of County, as necessary in the ordinary course of business for the operation, maintenance and service of the Property. County also hereby authorizes CONTRACTOR to pay amounts due under such contracts, leases and accounts on County's behalf. CONTRACTOR shall be authorized to enter into unbudgeted contracts and leases in amounts up to \$2,500 without the prior approval of County if CONTRACTOR is faced with circumstances that reasonably constitute an emergency and CONTRACTOR has attempted but is unable to contact and secure County's prior approval.

A.1.2.9 Supplies and Inventory. Within the approved budget, CONTRACTOR shall, on behalf of County, purchase such supplies and expendable items as are necessary to operate the Property. When taking bids or issuing purchase orders, CONTRACTOR shall use its commercially reasonable and prudent efforts to secure for County's benefit any discounts, commissions, or rebates obtainable in connection with such purchases.

A.1.2.10 Taxes and Assessments. For and on behalf of County, CONTRACTOR shall pay taxes, impositions, fees, or assessments relating to the ownership or operation of the Property, including, without limitation, improvement assessments, real estate taxes, personal property taxes, taxes on income or rents, or any charges similar to or in lieu of any of the foregoing. Upon request by County, CONTRACTOR shall:

- (i.) verify bills for real estate, personal property or other taxes, improvement assessments, and other similar charges which are or may become liens against the Property or which may be levied based on ownership or operation of the Property; and

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

(ii.) make an annual review of and/or submit a report on all real estate, personal property and other taxes and all assessments affecting the Property.

A.1.2.11 Compliance with Legal Requirements. CONTRACTOR shall use reasonable means to become aware of, and shall take such actions as CONTRACTOR deems prudent and necessary to comply with any laws, orders, or requirements affecting the use or operation of the Property by any federal, state, county, or municipal agency or authority, including but not limited to compliance with and participation in administrative grievance procedures, provided that, if the cost of compliance in any instance exceeds the amount budgeted heretofore, CONTRACTOR shall not expend funds for compliance without County's prior written consent. For purposes hereof, email notification of consent by County to CONTRACTOR is acceptable. County shall provide CONTRACTOR with all information necessary for CONTRACTOR to be fully informed as to the nature and extent of all programs applicable to the Property, including but not limited to providing copies of regulatory agreements, use permits, restrictive covenants or other instruments, whether or not recorded against the Property, which contain operating covenants or restrictions. CONTRACTOR shall promptly notify County in writing of any orders, notices, plans or requirements requiring expenditure of non-budgeted amounts. CONTRACTOR, however, shall not take any action as long as County is contesting, or has affirmed its intention to contest and promptly institutes proceedings contesting any law, order, or requirement. CONTRACTOR shall prepare, execute, and, after obtaining the written approval of County, thereby file any customary and standard reports and documents required by an applicable governmental authority. CONTRACTOR covenants and agrees to obtain and maintain all licenses and permits necessary for the conduct of its business as CONTRACTOR of the Property. Amounts expended by CONTRACTOR for use of non-employee consultants or experts, including attorneys, in the performance of these duties shall be reimbursed by County only if budgeted or pre-approved.

A.1.2.12 Tenant Compliance. CONTRACTOR shall attempt to secure full compliance by each tenant with the terms of the tenant's lease. Mandatory compliance shall be emphasized. CONTRACTOR may lawfully terminate any tenancy when, in CONTRACTOR's judgment, sufficient cause (including but not limited to non-payment of rent) for such termination occurs under the terms of the tenant's lease. CONTRACTOR is authorized to consult with and retain legal counsel of its choosing for such legal actions as CONTRACTOR reasonably believes to be necessary, including, but not limited to bringing actions for eviction and executing notices to vacate and judicial pleading incident to such actions. Such actions may be brought in the name of CONTRACTOR as a contractor for County. CONTRACTOR shall notify County immediately in regard to any claims relating to the Property in any way and shall cooperate with County in providing a defense but shall receive prior authorization from County before engaging legal counsel for a defense of a claim unrelated to eviction. For purposes hereof, email notification by County to CONTRACTOR, or by CONTRACTOR to County, is acceptable. Attorney's fees and other necessary costs incurred in connection with the prosecution or defense of any claims related to the Property, including attorneys' fees and, where necessary, the retention of experts, shall be reimbursed by County only if budgeted or pre-approved.

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

A.1.2.13 Energy Conservation. CONTRACTOR shall use prudent and customary means to use and control utilities at the Property in a manner designed to minimize total costs and satisfy County's obligations to tenants.

A.1.2.14 Advertising. CONTRACTOR shall advertise the Property for rent at such times and by use of such media as it deems necessary and in compliance with fair housing laws and regulations, subject to the annual budget approved by County or County's prior written approval.

A.1.2.15 On Site Management. CONTRACTOR shall maintain a management office off-site and at least one on-site employee will reside in one of the dwelling units in the Property.

- (i) The on-site employee may or may not pay rent pursuant to the terms of the employment agreement with the CONTRACTOR. The County shall execute a lease agreement with CONTRACTOR free of charge as required by this Agreement, with express permission for the CONTRACTOR to sublet the unit to the on-site employee; it shall be the responsibility of the CONTRACTOR to provide appropriate legal notice to the on-site employee to terminate the sublease when necessary due to termination of employment or termination of this Agreement.

A.1.2.16 Off-Site County Office Space. County shall provide off-site office space to CONTRACTOR to conduct property management activities for tenants, such as meeting with tenants or processing of applications. Off-site office space is identified to be located at the Porter-Vallejo Mansion, located at 29 Bishop Street, Pajaro, CA 95076. In coordination with County, a shared space on the 1st floor of the Porter-Vallejo Mansion shall be utilized by CONTRACTOR to meet with tenants. CONTRACTOR will be granted access to the Porter-Vallejo Mansion and will be provided with contact information to coordinate the use of the shared office space on an "as needed" basis. A filing cabinet may be kept on the 2nd or 3rd floor if CONTRACTOR desires.

- (i) During a time of a health pandemic, all efforts will be made for shared office space to be in compliance with local health and safety protocols.
- (ii) DISCLOSURE OF ADA NON-COMPLIANCE: Due to its historic nature, the Porter-Vallejo Mansion does not comply with many provisions of the Americans with Disabilities Act (ADA). It is a three-story building with no elevator. The stairwells are narrow with turns; have handrails only on one side that do not extend one foot past the edge of the stairs at upper and lower landings. Stair risers are tall and tread depths are minimal making it difficult for people with disabilities to safely reach the 2nd and 3rd floors. The stairs creak, squeak and yield underweight. The downstairs bathrooms have 51" of clearance for wheelchair turns, while the ADA standard is 60". There are impediments to wheelchair passage with differences in the travelled way as high as 3". CONTRACTOR is encouraged to scrutinize the

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

premises access and egress paths to be certain this historical building will meet its needs and those of clients it seeks to serve.

- (iii) DISCLOSURE OF INTERIOR ENVIRONMENT: There is only one source of heat that is routed to four outlets on the 1st floor and controlled by one thermostat. There are no heat sources for rooms on the 2nd and 3rd floors except for heat rising up through the stairwells from the 1st floor.

A.1.2.17 Employment of Personnel. CONTRACTOR shall hire, train, supervise, direct the work of, pay, and discharge all personnel necessary for operation of the Property, subject to the following terms and conditions:

- (i.) Such personnel shall in every instance be employees of CONTRACTOR and not of County. County shall have no right to supervise or direct such employees. All costs associated with the employment of personnel necessary for the on-site operation of the Property, including, but not limited to, the proportional amount of salaries, wages, other compensation and fringe benefits (including without limitation social security, taxes, worker's compensation insurance, unemployment insurance and the like), shall be the subject of an approved annual budget. Any litigation costs or expenses, including attorney's fees and costs and wage penalties relating to the employment of on-site personnel are the responsibility of CONTRACTOR and not County, unless a court or arbitrator determines County to be responsible by reason of non-payment for legitimate services. The terms "employees" or "personnel" shall be deemed to mean and include employment of a casual, temporary, or part-time nature.
- (ii.) The salaries, wages, other compensation, and benefits (including but not limited to social security, taxes, worker's compensation insurance, funding of annuity benefits, payroll processing fees and the like), of all on-site, field, or maintenance employees of CONTRACTOR working on or with respect to the Property shall be reimbursable to CONTRACTOR by County. Reimbursements shall not include entertainment or training, but can include travel for property manager supervisors, equipment and other expenses if approved as part of the budget process. Travel expense may not exceed the amounts allowed under Monterey County's travel policy.
- (iii.) The salaries, wages, other compensation, benefits, travel, and other expenses with respect to the following persons working on or in respect to the Property shall be non-reimbursable expenses of CONTRACTOR:
 - (aa.) executive personnel of CONTRACTOR charged with general administration of CONTRACTOR's performance of this Agreement; and
 - (bb.) off-site recordkeeping personnel.

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

A.1.2.18 Leasing. CONTRACTOR shall make diligent efforts to secure and/or retain tenants for the Property consistent with the character and status of the Property as outlined in Section A.2 Resident Selection Criteria of this Exhibit A. The form of lease will be submitted by CONTRACTOR to County and be mutually approved. CONTRACTOR shall make diligent efforts to assure that all leases and leasing practices conform to all laws, ordinances and regulations applicable to the Property and approved by County. The costs of customary financial responsibility, criminal background, or general reputation investigations of prospective residents shall be charged to the Property's Operating Account.

- (i) Within the first four months of this Agreement, CONTRACTOR shall establish new Lease Agreements with tenants. The form of Lease Agreements must be approved by the County prior to execution.

A.2 RESIDENT SELECTION CRITERIA

A.2.1 Eighteen units shall be designated for occupancy by low-income tenants whose annual income does not exceed 80% of the Annual Median Income (AMI).

A.2.2 One unit shall be designated for occupancy by an on-site property manager.

A.2.3 Initial rents (based upon rents in effect as of July 1, 2019) shall be as follows:

Unit Size	Gross Rent*
2 Bedroom	\$924
3 Bedroom	\$1,058

* Subject to the CONTRACTOR's review and recommendation for future updates.

A.2.4 The term of any tenant lease, excepting the site manager's unit, shall be from month to month.

A.2.5 CONTRACTOR shall determine and set new rents that meet affordability requirements, that do not exceed:

30% of adjusted monthly gross income for households earning up to 120% of Area Median Income as adjusted for the number of persons in the household; or,

35% of adjusted monthly gross income for households earning more than 120% of Area Median Income as adjusted for the number of persons in the household.

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS**A.3 DELIVERY OF SCHEDULED DOCUMENTS AND REPORTS**

All written reports required under this Agreement must be delivered to:

Eden Braganza, Finance Manager I
 County of Monterey
 Housing and Community Development (HCD)
 1441 Schilling Place, 2nd Floor
 Salinas, California 93901-4527
 Email: BraganzaM@co.monterey.ca.us

B. PAYMENT PROVISIONS**B.1 COMPENSATION/ FEES/ OPERATING EXPENSES**

County shall pay an amount not to exceed \$700,000.00 for the performance of all things necessary or incidental to the performance of work as set forth in the Scope of Services. CONTRACTOR'S compensation for services rendered shall be based on the following services and rates, and included in the CONTRACTOR's Annual Operating Budget:

Fees and Reimbursements:

Fees	Frequency	Amount
Management Services	Fee per unit per month	The greater of 8% of gross rental annual income or \$75 for per unit for the 18 rented units
Payroll Processing	Per month	6.25% of gross payroll expense
Bookkeeping	Per month	\$9 per unit

Reimbursements	Frequency	Amount
Software Hosting	Annual	\$2,400
Gross Payroll	Monthly	100% of cost for approved on-site part –time resident employee
Payroll Taxes	Monthly	100% of cost for approved on-site staffing
Workers Compensation	Monthly	100% of cost for approved on-site staffing
Health Insurance and Other Employee Benefits	Monthly	Maximum of \$340 for approved on-site staffing

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS**Operating Expenses Limit:**

Estimated not to exceed amount per year: (See Annual Operating Budget for details)	\$233,333.00
Total Agreement not to exceed amount:	\$700,000.00

County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the "County Travel Policy". A copy of the policy is available online at <https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/disbursements>. To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

B.2 CONTRACTOR'S BILLING PROCEDURES

In accordance with Section A.1.2.3 Financial Accounts and Section A.1.2.5 Financial Reporting of this Exhibit A, CONTRACTOR shall submit monthly a Financial Report by the 25th of each month. The monthly report will include an invoice coversheet indicating the amount due to replenish funds used for the operating expenses including fees paid to CONTRACTOR.

Any other invoices under this Agreement shall be submitted promptly, and in accordance with Paragraph 6, "Payment Conditions", of this Agreement. All invoices shall reference the Multi-Year Agreement (MYA) number, Project Name and associated Purchase Order number, and an original hardcopy shall be sent to the following address or via email to 194-HCD-Finance@co.monterey.ca.us:

County of Monterey
Housing and Community Development (HCD) – Finance
1441 Schilling Place, South 2nd Floor
Salinas, California 93901-4527

Any questions pertaining to invoices under this Agreement should be directed to HCD Finance at (831) 755-4800 or via email to 194-HCD-Finance@co.monterey.ca.us:

County may, in its sole discretion, terminate the Agreement or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

KENTS COURT HOUSING - Proposed 2021-22 Budget

Prepared by Eugene Burger Management Corporation (EBMC), October 2020, *Revised April 19, 2021*

	2019-20 Budget	2019-20 Annualized Actuals	2021-22 Budget	NOTES
REVENUE				
Rental Income - Tenants	228,360	228,360	228,360	
TOTAL REVENUE	\$ 228,360.00	\$ 228,360.00	\$ 228,360.00	
EXPENSES				
Marketing Expenses				
Advertising	-	-	120	
Credit Reports	-	-	64	2 @ \$32
Total - Marketing Exp.	-	-	184	
Administrative Expenses				
Payroll - Asst. Administrator	7,182	6,076	-	
Office Expenses	700	2,007	1,500	Allowing for office set up
Postage & Copies	400	206	200	
Payroll Processing Fees	521	430	2,587	6.25%
Management Fees	15,276	15,260	23,068	8%
Payroll - Manager	2,913	3,034	16,640	\$16 pr hr @ 20 hrs per week
Administrator's Unit	11,088	11,088	11,088	Assumption of unit provided
Legal/Mediation Expenses	250	40	600	
Bookkeeping Expenses	2,552	2,546	2,052	\$9/unit
Telephone & Answ. Exp.	500	558	500	
Mileage/Travel Expenses	50	251	500	
Misc. Administrative Exp.	-	7	-	
Seminars/Training	65	117	120	
Computer Expenses	900	530	3,400	Yardi fee & Computer Purchase
Total - Administrative Exp.	42,397	42,150	62,255	
Utilities				
Electricity	900	598	900	
Water	1,200	350	1,200	
Sewer	4,000	3,648	4,000	
Total - Utilities	6,100	4,596	6,100	
Oper. & Maintenance Exp.				
Payroll - Maintenance	18,465	15,270	28,080	30 hrs. @ \$18/hr.
Pest - Supplies & Contracts	1,200	5,150	1,200	
Garbage Removal	18,936	20,067	20,000	
Fire Protection Expenses	-	385	1,600	
Landscape Improvements	7,500	1,250	7,500	
Repair Materials & Supplies	6,500	10,708	6,000	
Repairs Contract	25,000	48,307	48,000	
Appliance Repairs	1,350	456	1,650	

KENTS COURT HOUSING - Proposed 2021-22 Budget

Prepared by Eugene Burger Management Corporation (EBMC), October 2020, *Revised April 19, 2021*

	2019-20 Budget	2019-20 Annualized Actuals	2021-22 Budget	NOTES
Misc. Maintenance Expenses	9,000	3,762	3,500	
Total - Oper. & Maint. Expenses	87,951	105,355	117,530	
Taxes & Insurance				
Real Estate Taxes	1,000	739	750	
Payroll Taxes	4,090	2,789	3,858	9.32%
Property Insurance	5,750	5,884	6,000	
Fidelity Bond	35	4	60	
Workers Compensation	1,773	1,402	4,553	11%
Health Ins. & EE Benefits	4,090	592	-	No FTE Employees
Misc. Licenses & Permits	3,000	2,720	3,000	
Total - Taxes & Insurance	19,738	14,130	18,221	
Replacement Expenditures				
Appliance Replacement	3,000	7,255	3,000	
Interior Replacements	-	-	1,000	
Exterior Replacements	23,000	12,577	20,000	
Total - Replacement Exp.	26,000	19,832	24,000	
TOTAL EXPENSES	182,186	186,063	228,106	
PROFIT / LOSS	\$ 46,174	\$ 42,297	\$ 254	Management reserves the right to reclassify between line items as operationally necessary

EXHIBIT B – INCORPORATION OF REQUEST FOR PROPOSALS (RFP) #10768 AND PROPOSAL DOCUMENTS

The County invited submittals to Request for Proposals (RFP) through RFP #10768 for Property Management Services for Kents Court Housing Development Complex in Pajaro, California. Eugene Burger Management Corporation submitted a responsive and responsible Proposal to perform the services listed in RFP #10768.

RFP #10768 and the Proposal submitted by Eugene Burger Management Corporation on file with the Housing and Community Development department (HCD), are hereby incorporated into the Agreement by this reference.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/28/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Michael Miller Insurance 817 Mission Avenue San Rafael, CA 94901 License #: 0541868	CONTACT NAME: Admin PHONE (A/C No. Ext): (415)454-0100 FAX (A/C No): (415)454-8311 E-MAIL ADDRESS: admin@michaelmillerinsurance.com <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 80%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> <tr> <td>INSURER A : Farmers Insurance Exchange</td> <td></td> </tr> <tr> <td>INSURER B : Truck Insurance Exchange</td> <td></td> </tr> <tr> <td>INSURER C : Everest National Insurance Co.</td> <td></td> </tr> <tr> <td>INSURER D : Hiscox Insurance Company Inc.</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Farmers Insurance Exchange		INSURER B : Truck Insurance Exchange		INSURER C : Everest National Insurance Co.		INSURER D : Hiscox Insurance Company Inc.		INSURER E :		INSURER F :	
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INSURER E :															
INSURER F :															
INSURED Eugene Burger Management Corp Attn: Steve Burger 6600 Hunter Drive Rohnert Park, CA 94928															

COVERAGES
CERTIFICATE NUMBER: 00000135-854399
REVISION NUMBER: 30

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <div style="margin-left: 20px;"> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR </div> <div style="margin-left: 20px;"> GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: </div>	Y		60424-21-30	07/01/2020	07/01/2021	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td style="text-align: right;">\$ 300,000</td></tr> <tr><td>MED EXP (Any one person)</td><td style="text-align: right;">\$ 5,000</td></tr> <tr><td>PERSONAL & ADV INJURY</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>GENERAL AGGREGATE</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>PRODUCTS - COMP/OP AGG</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>Deductible</td><td style="text-align: right;">\$ none</td></tr> </table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000	MED EXP (Any one person)	\$ 5,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 2,000,000	PRODUCTS - COMP/OP AGG	\$ 1,000,000	Deductible	\$ none
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PRODUCTS - COMP/OP AGG	\$ 1,000,000																				
Deductible	\$ none																				
A	AUTOMOBILE LIABILITY <div style="margin-left: 20px;"> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY </div>	Y		60424-21-30	07/01/2020	07/01/2021	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>BODILY INJURY (Per person)</td><td style="text-align: right;">\$</td></tr> <tr><td>BODILY INJURY (Per accident)</td><td style="text-align: right;">\$</td></tr> <tr><td>PROPERTY DAMAGE (Per accident)</td><td style="text-align: right;">\$</td></tr> </table>	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$						
COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000																				
BODILY INJURY (Per person)	\$																				
BODILY INJURY (Per accident)	\$																				
PROPERTY DAMAGE (Per accident)	\$																				
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE <div style="margin-left: 20px;"> <input checked="" type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 </div>	Y		606798555	07/01/2020	07/01/2021	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td style="text-align: right;">\$ 10,000,000</td></tr> <tr><td>AGGREGATE</td><td style="text-align: right;">\$ 10,000,000</td></tr> </table>	EACH OCCURRENCE	\$ 10,000,000	AGGREGATE	\$ 10,000,000										
EACH OCCURRENCE	\$ 10,000,000																				
AGGREGATE	\$ 10,000,000																				
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N	N / A	CA10001570-201	07/01/2020	07/01/2021	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> PER STATUTE</td> <td><input type="checkbox"/> OTH-ER</td> <td style="text-align: right;">\$ 1,000,000</td> </tr> <tr><td>E.L. EACH ACCIDENT</td><td></td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td></td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td></td><td style="text-align: right;">\$ 1,000,000</td></tr> </table>	<input checked="" type="checkbox"/> PER STATUTE	<input type="checkbox"/> OTH-ER	\$ 1,000,000	E.L. EACH ACCIDENT		\$ 1,000,000	E.L. DISEASE - EA EMPLOYEE		\$ 1,000,000	E.L. DISEASE - POLICY LIMIT		\$ 1,000,000		
<input checked="" type="checkbox"/> PER STATUTE	<input type="checkbox"/> OTH-ER	\$ 1,000,000																			
E.L. EACH ACCIDENT		\$ 1,000,000																			
E.L. DISEASE - EA EMPLOYEE		\$ 1,000,000																			
E.L. DISEASE - POLICY LIMIT		\$ 1,000,000																			
D	Professional Liab	Y		MPL121792520	07/01/2020	07/01/2021	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Per Occurrence</td><td style="text-align: right;">\$ 2,000,000</td></tr> </table>	Per Occurrence	\$ 2,000,000												
Per Occurrence	\$ 2,000,000																				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Policies have a 10 day notice of cancellation for nonpayment of premium and 30 days for all other reasons.

County of Monterey, its officers, agents, and employees are additional insured in respects to the property management agreement for Kents Court, Pajaro, CA. Further, this insurance is primary insurance to any insurance or self-insurance maintained maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the insured's (Eugene Burger Management Corporation) insurance.

CERTIFICATE HOLDER
CANCELLATION

County of Monterey Housing and Community Development 1441 Schilling Place, 2nd Floor Salinas, CA 93901	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <div style="text-align: right;">(ADM)</div>
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY NUMBER: 604242130



J6840
2nd Edition

ADDITIONAL INSURED – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS LIABILITY COVERAGE FORM
BUSINESSOWNERS COMMON POLICY CONDITIONS

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	COUNTY OF MONTEREY, ITS OFFICERS AGENTS EMPLOYEES
Location Of Covered Operation(s):	Kent Court (19 units) Pajaro, CA 95076
Effective Date Of Endorsement:	06/08/2021
If no entry appears above, information required to complete this endorsement will be shown in the Declarations.	

The BUSINESSOWNERS LIABILITY COVERAGE FORM is amended as follows:

- A.** With respect to the additional insured described in Paragraph **B.** of this endorsement, the following exclusions are added to Paragraph **1. Applicable To Business Liability Coverage** under Section **B. Exclusions**:

This insurance does not apply to:

- 1.** "Bodily injury" or "property damage" for which the additional insured(s) is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the additional insured(s) would have in the absence of the contract or agreement.
- 2.** "Bodily injury" or "property damage" occurring after:
 - a.** Your ongoing operations at the location of covered operations other than service maintenance or repairs performed by you or on your behalf have been completed; or
 - b.** The portion of your ongoing operation out of which the "bodily injury" or "property damage" arises has been put to its intended use by any person or organization.But in no event shall this insurance apply to "bodily injury" or "property damage" arising out of your operations that were completed prior to the effective date of this endorsement.
- 3.** "Bodily injury" or "property damage" arising out of any act or omission of the additional insured(s) or any of its "employees", agents or contractors other than you, except for general supervision by the additional insured(s) of your ongoing operations performed for that additional insured.
- 4.** "Property damage" to:
 - a.** Property owned, used or occupied by or rented to the additional insured(s);
 - b.** Property in the care custody or control of the additional insured(s) or over which the additional insured(s) exercise physical control; or
 - c.** Any work including materials, parts or equipment furnished in connection with such work which is performed for the additional insured by you.

- B.** Section **C. Who Is An Insured** is amended to include as an insured the person(s) or organization(s) shown in the Schedule, but only to the extent that the additional insured(s) is held liable for "bodily injury" or "property damage" caused in whole or in part by:
- 1.** Your ongoing operations performed for such person or organization at the location designated above;
 - 2.** The acts or omissions of your subcontractors acting on "your" behalf on the scheduled project in the performance of your ongoing operations for the additional insured(s) which start and are completed within the effective period of this endorsement; or
 - 3.** The acts or omissions of such additional insured(s) in connection with its general supervision of such operations.
- C.** With respect to this endorsement, "wrap up policy" means an Owner or Contractor Controlled Insurance Program providing one or a series of policies designed to cover a specific construction project that insures all of the persons and entities working on such project.

The BUSINESSOWNERS COMMON POLICY CONDITIONS are amended as follows:

- A.** With respect to the additional insured described in Paragraph **B.** of this endorsement, Section **H. Other Insurance** is replaced by the following:

H. Other Insurance

1. Primary and Noncontributory Insurance

The coverage provided to an additional insured under this endorsement shall be primary and noncontributory ONLY to any insurance issued directly to the additional insured if:

- a.** The Named Insured agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis;
- b.** Such written contract or written agreement referenced in **a.** above was executed prior to the issuance of this endorsement;
- c.** The additional insured designated herein has a policy with an Other Insurance provision making that policy excess; and
- d.** There is no "wrap up policy" in effect for the work performed at the location designated in the Schedule of this endorsement.

2. Excess Insurance

If there is other valid and collectable insurance available to the additional insured(s) as an additional insured under other policies covering the work performed at the location designated and described in the schedule of this endorsement, this insurance will be excess over those policies.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



E3306
1st Edition

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

07/01/2021
Effective Date

604242130
Policy Number

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COMMON POLICY CONDITIONS - BP 00 09

SCHEDULE

Name of Person or Organization:

COUNTY OF MONTEREY, ITS OFFICERS AGENTS EMPLOYEES

(If no entry appears above, information required to complete this Endorsement must be shown in the Declarations as applicable to this endorsement.)

The provisions of the Businessowners Common Policy Conditions are modified by this endorsement as follows:

Condition **K. Transfer Of Rights Of Recovery Against Others To Us** in the Businessowners Common Policy Conditions is amended by the addition of the following:

3. We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your work done under a contract with that person or organization and included in the products-completed operations hazard. This waiver applies only to the person or organization shown in the Schedule above.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all the terms of the policy.