



**INDUSTRY PUBLIC UTILITIES
COMMISSION
REGULAR MEETING
AGENDA**

PRESIDENT CORY C. MOSS
COMMISSIONER MICHAEL GREUBEL
COMMISSIONER STEVE MARCUCCI
COMMISSIONER MARK D. RADECKI
COMMISSIONER NEWELL W. RUGGLES

MAY 14, 2026 AT 8:30 AM

LOCATION: City Council Chambers, 15651 Mayor Dave Way
City of Industry, California

ADDRESSING THE COMMISSION:

Agenda Items: Members of the public may address the Commission on any matter listed on the Agenda. Anyone wishing to speak to the Commission is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Commission.

Public Comments (Non-Agenda Items): Anyone wishing to address the Commission on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a one-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Commission from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Commission is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the Commission.

Commissioner Greubel will take part in the meeting remotely for reasons related to just cause as set forth in Government Code Section 54953.8.3(a)(1) (AB 2449), as he is attending the Contract Cities Annual Municipal Seminar at the Renaissance Esmeralda Resort & Spa in Indian Wells. In accordance with the provisions of AB 2449, this meeting will be held in person and via a live webcast. Members of the public can attend the hybrid meeting and offer public comments either in person or via webcast. A live webcasting of the meeting will be accessible via the link, meeting ID, and meeting passcode listed below. In the event that no Councilmembers join remotely, the live webcast will terminate after an announcement.

www.microsoft.com/microsoft-teams/join-a-meeting

Meeting ID: 287 170 293 564 521

Meeting Passcode: mN35EP7L

Or call in (audio only)

+1 657-204-3264,

Phone Conference ID: 716 436 951#

AMERICANS WITH DISABILITIES ACT:

In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

AGENDAS AND OTHER WRITINGS:

In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 Mayor Dave Way, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Thursday 8:00 a.m. to 5:00 p.m., Fridays 8:00 a.m. to 4:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.

1. Call to Order
2. Flag Salute
3. AB 2449 Vote on Emergency Circumstances (if necessary)
4. Roll Call
5. Presentations
6. **CONSENT CALENDAR**

6.1. Consideration of the Register of Demands for April 23, 2026

RECOMMENDED ACTION: Ratify the Register of Demands for April 23, 2026.

6.2. Consideration of the Register of Demands for May 14, 2026

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

6.3. Consideration of a Professional Services Agreement with Hometownhub, LLC, to provide customer services for IPU accounts, in an amount not to exceed \$500,000.00, through June 30, 2029 (MP 02-05)

RECOMMENDED ACTION: Approve the Agreement.

6.4. Report from the General Manager for the La Puente Valley County Water District regarding the Industry Public Utilities Water Operations

RECOMMENDED ACTION: Receive and file the report.

6.5. Consideration of a Groundwater Production Rights Lease with La Puente Valley County Water District

RECOMMENDED ACTION: Approve the Lease.

7. **ACTION ITEMS-NONE**

8. **PUBLIC HEARINGS-NONE**

9. **CLOSED SESSION**

10. **PUBLIC UTILITIES DIRECTOR COMMENTS**

11. **AB 1234 REPORTS**

12. **COMMISSIONER COMMUNICATIONS**

13. **PUBLIC COMMENTS**

14. Adjournment. The next regular Industry Public Utilities Commission Meeting is Thursday, June 11, 2026, at 9:00 AM.

ITEM NO. 6.1

INDUSTRY PUBLIC UTILITIES COMMISSION

AUTHORIZATION FOR PAYMENT OF BILLS

Board Meeting April 23, 2026

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
122	IPU-ELECTRIC CAPITAL IMPROVEMENT	15,697.50
161	IPUC ELECTRIC FUND	327,354.15
TOTAL ALL FUNDS		343,051.65

<u>BANK</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
IPUCELEC.WF	IPUC ELECTRIC WELLS FARGO CKING	293,356.84
IPUCCRB.WF	IPUC CARB WELLS FARGO CHK	49,694.81
TOTAL ALL BANKS		343,051.65

APPROVED PER PUBLIC UTILITIES DIRECTOR

DATE





Industry Public Utilities Commission
Wells Fargo - Electric CARB
April 23, 2026

Check	Date	Payee Name	Check Amount
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IPUCCAR.WF.CHK - IPUC CAR WELLS FARGO CK

65025	04/23/2026		AM WIND REPOWER LLC	\$49,694.81
	Invoice	Date	Description	Amount
	IA2026000017	03/31/2026	TEST ENERGY POWER PURCHASE-DEC 2025 VINTAGE	\$11,050.00
	IA2026000020	04/09/2026	TEST ENERGY POWER PURCHASE-MAR 2026 ACTUAL	\$38,644.81

Checks	Status	Count	Transaction Amount
	Total	1	\$49,694.81

Industry Public Utilities Commission
Wells Fargo - Electric
April 23, 2026

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
11963	04/06/2026		FRONTIER	\$643.68
	Invoice	Date	Description	Amount
	2026-00001637	03/19/2026	3/19-4/18/26 SVC-21438 BAKER PKWY BLDG 25	\$76.99
	2026-00001638	03/19/2026	3/19-4/18/26 SVC-21660 VALLEY BLVD	\$139.08
	2026-00001639	03/19/2026	3/19-4/18/26 SVC-21415 BAKER PKWY	\$76.99
	2026-00001640	03/25/2026	3/25-4/24/26 SVC-21535 BAKER PKWY BLDG 20	\$76.99
	2026-00001641	03/25/2026	3/25-4/24/26 SVC-21760 GARCIA LN	\$115.58
	2026-00001642	03/22/2026	3/22-4/21/26 SVC-21733 BAKER PKWY BLDG 21	\$76.99
	2026-00001643	03/22/2026	3/22-4/21/26 SVC-21858 VALLEY BLVD	\$81.06
11964	04/06/2026		SOUTHERN CALIFORNIA EDISON	\$292.84
	Invoice	Date	Description	Amount
	7501971956	03/27/2026	11/1-11/30/25 SVC-RELIABILITY CHARGES WDAT'S	\$292.84
11965	04/15/2026		FRONTIER	\$324.86
	Invoice	Date	Description	Amount
	2026-00001680	03/28/2026	3/28-4/27/26 SVC-21700 BAKER PKWY BLDG 23	\$76.99
	2026-00001681	03/28/2026	3/28-4/27/26 SVC-21912 GARCIA LN	\$115.58
	2026-00001682	03/28/2026	3/28-4/27/26 SVC-179 S GRAND AVE	\$132.29
11966	04/15/2026		SOCALGAS	\$28.46
	Invoice	Date	Description	Amount
	2026-00001706	04/06/2026	3/4-4/2/26 SVC-1 INDUSTRY HILLS PKWY UNIT B	\$28.46
11967	04/15/2026		SOUTHERN CALIFORNIA EDISON	\$17,319.78
	Invoice	Date	Description	Amount
	2026-00001677	04/01/2026	3/1-3/31/26 SVC-VARIOUS SITES	\$263.07

Industry Public Utilities Commission
Wells Fargo - Electric
April 23, 2026

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
	2026-00001678	04/01/2026	3/1-3/31/26 SVC-208 S WADDINGHAM	\$3,180.57
	2026-00001679	04/01/2026	3/1-3/31/25 SVC-208 S WADDINGHAM	\$13,876.14
11968	04/23/2026		ANIXTER INC.	\$222,728.85
	Invoice	Date	Description	Amount
	5350146-02	04/09/2026	ELECTRICAL SVC FOR IBC BUILDING 1	\$222,728.85
11969	04/23/2026		CNC ENGINEERING	\$32,677.50
	Invoice	Date	Description	Amount
	514850	04/09/2026	CITY ELECTRICAL FACILITIES	\$16,980.00
	514851	04/09/2026	AUTOMATIC METER READING	\$152.50
	514852	04/09/2026	DISTRIBUTION LINE EXTENSION TO EXPO CENTER	\$630.00
	514853	04/09/2026	WDAT RELOCATION AT PACIFIC PALMS HOTEL & LINE	\$14,915.00
11970	04/23/2026		COUNTY OF LA - DEPT OF AGRICULTU	\$105.67
	Invoice	Date	Description	Amount
	261420	03/23/2026	PEST CONTROL - WADDINGHAM POWER PLANT	\$105.67
11971	04/23/2026		ENCO UTILITY SERVICES, LLC	\$14,225.00
	Invoice	Date	Description	Amount
	INV75959	04/06/2026	CUSTOMER ACCT SVC-MAR 2026	\$14,225.00
11972	04/23/2026		THE DRY UTILITY GROUP, INC.	\$4,940.00
	Invoice	Date	Description	Amount
	6723	04/01/2026	ON CALL UTILITY ENG SVC'S	\$4,940.00
11973	04/23/2026		UNDERGROUND SERVICE ALERT OF S	\$70.20

Industry Public Utilities Commission
Wells Fargo - Electric
April 23, 2026

Check	Date	Payee Name	Check Amount
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IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK

Invoice	Date	Description	Amount
320260190	04/01/2026	DIG ALERTS	\$70.20

Checks	Status	Count	Transaction Amount
	Total	11	\$293,356.84

ITEM NO. 6.2

INDUSTRY PUBLIC UTILITIES COMMISSION

AUTHORIZATION FOR PAYMENT OF BILLS

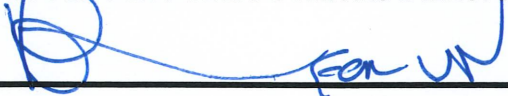
Board Meeting May 14, 2026

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
122	IPU-ELECTRIC CAPITAL IMPROVEMENT	47,393.19
560	IPU-WATER CAPITAL IMPROVEMENT	28,060.81
161	IPUC ELECTRIC FUND	358,301.38
165	IPUC ELECTRIC CARB	57,303.66
123	IPUC WATER CIP	387,503.75
TOTAL ALL FUNDS		878,562.79

<u>BANK</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
IPUCELEC.WF	IPUC ELECTRIC WELLS FARGO CKING	383,083.98
IPUC.EEP	IPUC ENERGY EFFICIENCY PROGRAM	22,610.59
IPUCCAR.WFCHK	IPUC ELECTRIC CARB CKING	57,303.66
IPUC.CHK	IPUC WATER BOFA CKING	415,564.56
TOTAL ALL BANKS		878,562.79

APPROVED PER PUBLIC UTILITIES DIRECTOR

DATE





Industry Public Utilities Commission
Wells Fargo Electric - Wire Transfers
May 14, 2026

Check	Date	Payee Name	Check Amount
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IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK

WT187	04/16/2026	CALIFORNIA DEPT OF TAX AND FEE A	\$3,138.00
	Invoice	Description	Amount
	16-APR-2026	ENERGY SURCHARGE TAX-JAN-MAR 2026	\$3,138.00

Checks	Status	Count	Transaction Amount
	Total	1	\$3,138.00

Industry Public Utilities Commission
Wells Fargo - Electric CARB
May 14, 2026

Check	Date	Payee Name	Check Amount
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IPUCCAR.WF.CHK - IPUC CAR WELLS FARGO CK

65026	05/14/2026		AM WIND REPOWER LLC	\$11,674.00
	Invoice	Date	Description	Amount
	IA2026000023	04/29/2026	TEST ENERGY POWER PURCHASE-JAN 2026 VINTAGE	\$11,674.00
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65027	05/14/2026		GASKELL TEP LLC	\$45,629.66
	Invoice	Date	Description	Amount
	GW2B03-2026-IPU	04/21/2026	RENEWABLE ENERGY-MARCH 2026	\$45,629.66

Checks	Status	Count	Transaction Amount
	Total	2	\$57,303.66

**Industry Public Utilities Commission
Wells Fargo - Energy Efficiency Program
May 14, 2026**

Check	Date	Payee Name	Check Amount
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IPUCEEP.WF.CHK - IPUC EEP WELLS FARGO CK

500035	05/14/2026	GASKELL TEP LLC	\$22,610.59
	Invoice	Description	Amount
	GW2B03-2026 IPUA	RENEWABLE ENERGY-MARCH 2026	\$22,610.59

Checks	Status	Count	Transaction Amount
	Total	1	\$22,610.59

Industry Public Utilities Commission
Bank of America - Water
May 14, 2026

Check	Date			Payee Name	Check Amount
IPUC.CHK - IPUC Water BofA Checking					
40906	04/06/2026			SOCALGAS	\$14.94
	Invoice	Date	Description	Amount	
	2026-00001662	03/31/2026	2/26-3/27/26 SVC-13851 LOMITAS AVE	\$14.94	
40907	04/15/2026			VALLEY VISTA SERVICES, INC	\$275.79
	Invoice	Date	Description	Amount	
	3587454	03/31/2026	IPU WATER 14063 PROCTOR AVE	\$275.79	
40908	04/22/2026			SOUTHERN CALIFORNIA EDISON	\$14,308.56
	Invoice	Date	Description	Amount	
	2026-00001710	04/06/2026	3/3-3/31/26 SVC-1991 WORKMAN MILL	\$14,308.56	
40909	05/06/2026			VALLEY VISTA SERVICES, INC	\$275.79
	Invoice	Date	Description	Amount	
	3752607	04/30/2026	IPU WATER 14063 PROCTOR AVE	\$275.79	
40910	05/14/2026			CNC ENGINEERING	\$19,378.75
	Invoice	Date	Description	Amount	
	514983	04/23/2026	PROCTOR YARD BUILDING	\$450.00	
	514984	04/23/2026	TURNBULL CANYON ROAD AND SALT LAKE AVE.WATE	\$17,693.75	
	514985	04/23/2026	PENCIN PUMP STATION DEMOLITION	\$935.00	
	514986	04/23/2026	SAN FIDEL WELL FIELD SITE	\$300.00	
40911	05/14/2026			GENTRY BROTHERS, INC.	\$368,125.00
	Invoice	Date	Description	Amount	
	#1 IPU-0014	05/14/2026	TURNBULL CYN RD & SALT LAKE AVE WATERLINE IMP	\$387,500.00	

**Industry Public Utilities Commission
Bank of America - Water
May 14, 2026**

Check	Date	Payee Name		Check Amount
IPUC.CHK - IPUC Water BofA Checking				
40912	05/14/2026	INDUSTRY PUBLIC UTILITIES COMMIS		\$6,729.40
	Invoice	Date	Description	Amount
	RO2282026-A	02/01/2026	IH GOLF COURSE RECYCLED WATER-FEB 2026	\$6,729.40
40913	05/14/2026	INDUSTRY PUBLIC UTILITIES COMMIS		\$2,000.00
	Invoice	Date	Description	Amount
	APR-26	04/28/2026	REPLENISH PAYROLL ACCT FOR APRIL 2026	\$2,000.00
40914	05/14/2026	ROWLAND WATER DISTRICT		\$4,456.33
	Invoice	Date	Description	Amount
	I-02282026-B	02/28/2026	CONTRACT SVC-FEB 2026	\$1,355.69
	I-02282026-A	02/28/2026	CONTRACT SVC-FEB 2026	\$3,100.64

Checks	Status	Count	Transaction Amount
	Total	9	\$415,564.56

**Industry Public Utilities Commission
Wells Fargo - Electric
May 14, 2026**

Check	Date	Payee Name			Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK					
11974	04/22/2026	FRONTIER			\$3,312.57
	Invoice	Date	Description	Amount	
	2026-00001747	04/07/2026	4/7-5/6/26 SVC-408 BREA CYN RD	\$66.89	
	2026-00001748	04/04/2026	4/4-5/3/26 SVC-21858 GARCIA LN	\$115.40	
	2026-00001749	04/04/2026	4/4-5/3/26 SVC-21620 VALLEY BLVD	\$80.98	
	2026-00001750	04/01/2026	4/1-4/30/26 SVC-21650 VALLEY BLVD	\$76.91	
	2026-00001751	04/01/2026	4/1-4/30/26 SVC-21700 VALLEY BLVD	\$80.98	
	2026-00001752	04/01/2026	4/1-4/30/26 SVC-VARIOUS SITES	\$2,891.41	
11975	04/29/2026	FRONTIER			\$1,567.21
	Invoice	Date	Description	Amount	
	2026-00001765	04/10/2026	4/10-5/9/26 SVC-747 S ANAHEIM PUENTE RD	\$407.99	
	2026-00001766	04/10/2026	4/10-5/9/26 SVC-21808 GARCIA LN	\$115.40	
	2026-00001767	04/10/2026	4/10-5/9/26 SVC-21640 VALLEY BLVD	\$76.91	
	2026-00001768	04/10/2026	4/10-5/9/26 SVC-21508 BAKER PKWY BLDG 22	\$76.91	
	2026-00001769	04/09/2026	4/9-5/8/26 SVC-208 WADDINGHAM WAY	\$890.00	
11976	04/29/2026	SOUTHERN CALIFORNIA EDISON			\$11,154.88
	Invoice	Date	Description	Amount	
	7501975281	04/16/2026	3/1-3/31/26 SVC-745 ANAHEIM-PUENTE RD	\$1,027.46	
	7501975288	04/16/2026	3/1-3/31/26 SVC-208 WADDINGHAM WAY	\$8,266.71	
	7501975287	04/16/2026	3/1-3/31/26 SVC-133 N AZUSA AVE	\$1,860.71	
11977	05/06/2026	FRONTIER			\$292.82
	Invoice	Date	Description	Amount	
	2026-00001794	04/19/2026	4/19-5/18/26 SVC-21438 BAKER PKWY BLDG 25	\$76.91	
	2026-00001795	04/19/2026	4/19-5/18/26 SVC-21660 VALLEY BLVD	\$139.00	

**Industry Public Utilities Commission
Wells Fargo - Electric
May 14, 2026**

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
	2026-00001796	04/19/2026	4/19-5/18/26 SVC-21415 BAKER PKWY	\$76.91
11978	05/06/2026		CALPINE ENERGY SOLUTIONS, LLC	\$138,437.83
	Invoice	Date	Description	Amount
	261180023248969	04/28/2026	WHOLESALE USE -APRIL 2026	\$138,437.83
11979	05/14/2026		ANIXTER INC.	\$111,364.42
	Invoice	Date	Description	Amount
	5350146-03	04/28/2026	ELECTRICAL SVC FOR IBC BUILDING 1	\$111,364.42
11980	05/14/2026		ASTRUM UTILITY SERVICES, LLC	\$18,565.00
	Invoice	Date	Description	Amount
	042601	05/02/2026	CONSULTING SVC FOR IPUC-APRIL 2026	\$18,565.00
11981	05/14/2026		B2 PRINT, LLC	\$525.04
	Invoice	Date	Description	Amount
	0013817-A	04/15/2026	IPUC EL CHECKS	\$525.04
11982	05/14/2026		CNC ENGINEERING	\$51,356.25
	Invoice	Date	Description	Amount
	514977	04/23/2026	CITY ELECTRICAL FACILITIES	\$33,686.25
	514978	04/23/2026	AUTOMATIC METER READING	\$457.50
	514979	04/23/2026	IPU SYSTEM GIS MAPPING	\$1,232.50
	514980	04/23/2026	DISTRIBUTION LINE EXTENSION TO EXPO CENTER	\$440.00
	514981	04/23/2026	WDAT INSTALLATION AT PUENTE HILLS MALL	\$1,067.50
	514982	04/23/2026	WDAT RELOCATION AT PACIFIC PALMS HOTEL & LINE	\$14,472.50

**Industry Public Utilities Commission
Wells Fargo - Electric
May 14, 2026**

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
11983	05/14/2026		COUNTY OF LA - DEPT OF AGRICULTU	\$105.67
	Invoice	Date	Description	Amount
	261530	04/16/2026	PEST CONTROL - WADDINGHAM POWER PLANT	\$105.67
11984	05/14/2026		ELECTRICAL POWER SYSTEMS, INC.	\$29,723.19
	Invoice	Date	Description	Amount
	12330 REV#3	04/14/2026	DESIGN & ENG SVC FOR WDAT'S @ PACIFIC PALMS	\$9,538.50
	11791 REV #2	07/07/2025	DESIGN & ENG SVC FOR WDAT'S @ PACIFIC PALMS	\$9,600.00
	12030 REV #2	10/09/2025	DESIGN & ENG SVC FOR WDAT'S @ PACIFIC PALMS	\$10,584.69
11985	05/14/2026		PACIFIC UTILITY INSTALLATION	\$13,156.00
	Invoice	Date	Description	Amount
	PS-INV104561	03/31/2026	UTILITY & OPERATION SVC	\$13,156.00
11986	05/14/2026		SOUTHERN CALIFORNIA EDISON	\$308.45
	Invoice	Date	Description	Amount
	7501976921	04/27/2026	12/1-12/31/26 SVC-RELIABILITY CHARGES WDAT'S	\$308.45
11987	05/14/2026		UNDERGROUND SERVICE ALERT OF S	\$76.65
	Invoice	Date	Description	Amount
	420260190	05/01/2026	DIG ALERTS	\$76.65

Checks	Status	Count	Transaction Amount
	Total	14	\$379,945.98

ITEM NO. 6.3



INDUSTRY PUBLIC UTILITIES COMMISSION

MEMORANDUM

TO: President and Commissioners

FROM: Joshua Nelson, Public Utilities Director

STAFF: Mathew Hudson, Director of Public Works
Dev Birla, Contract Electric Utility Director

DATE: May 14, 2026

SUBJECT: Consideration of a Professional Services Agreement with Hometownhub, LLC, to provide customer services for IPU accounts, in an amount not to exceed \$500,000.00, through June 30, 2029 (MP 02-05)

Background:

Since 2016, ENCO Utility Services (“ENCO”) has provided electric utility customer services for Industry Public Utilities (“IPU”). The services include: billing, collection, and record/reporting management and call center operations related to billing and electric outages; implementing the 24-hour alarm monitoring of Tattletale System for Waddingham Substation, and maintaining a log of those working on or inspecting the substation; generating quarterly reports required by the California Energy Commission (“CEC”) and other monthly reports, documents, and procedures; meter reading, as required, meter testing and troubleshooting, meter installation or replacement, and other related services for the monthly billing to IPU customers.

Discussion:

The contract with ENCO expires June 30, 2026, and Staff is recommending a new Professional Services Agreement (“Agreement”) with Hometownhub, LLC (“Hometownhub”) to continue providing these services to the IPU moving forward. Due to staff turnover at ENCO and declining performance on billing accuracy and delays, including employees who were familiar with the IPU’s rates and billing, Staff recommends contracting with Hometownhub to handle all customer billing and related services, starting June 1, 2026. Staff familiar with IPU and customer related services now work at Hometownhub, therefore Staff recommends proceeding with a new Agreement with Hometownhub, with the same scope of work, in an amount not-to-exceed \$500,000.00, through June 30, 2029. The transition involves a one-time cost of \$32,000.00 for Hometownhub for a billing software license and other related expenses to transition the accounts to their systems.

Fiscal Impact:

The fiscal impact is \$500,000.00 through 2029. In the proposed IPU fiscal year 2026-27 general fund budget, \$300,000.00 is proposed (Account No. 161-300-6200).

Recommendation:

It is recommended that the IPUC Board approve the Agreement with Hometownhub.

Exhibits:

1. Professional Services Agreement with Hometownhub, dated May 14, 2026.

INDUSTRY PUBLIC UTILITIES PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”), is made as of June 1, 2026 (“Effective Date”), between the Industry Public Utilities, a public agency organized and existing under the laws of the State of California, (“IPU”) and Hometownhub, LLC, (“Consultant”), a Delaware limited liability company. The IPU and Consultant are hereinafter collectively referred to as the “Parties”.

RECITALS

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

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

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2029, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

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

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

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

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

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

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

3. MANAGEMENT

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

4. PAYMENT

(a) The IPU agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed Five Hundred Thousand Dollars (\$500,000.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the IPU. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by IPU and Consultant at the time IPU's written authorization is given to Consultant for the performance of said services.

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

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

5. SUSPENSION OR TERMINATION OF AGREEMENT

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

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

6. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by IPU that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of IPU or its designees at reasonable times to review such books and records; shall give IPU the right to examine and audit said books and records; shall permit IPU to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, and upon final payment of all undisputed invoices, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the IPU and may be used, reused, or otherwise disposed of by the IPU without the permission of the Consultant. The IPU shall not gain ownership of any intellectual property of Consultant that was used to create the services. With respect to computer files, Consultant shall make available to the IPU, at the Consultant's office, and upon reasonable written request by the IPU, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant shall grant to IPU a non-exclusive, perpetual, royalty-free,

world-wide, limited license under copyright to use all reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the Consultant.

7. INDEMNIFICATION

(a) Indemnity for professional liability

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

(b) Indemnity other than for professional liability

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

(c) Duty to defend.

In the event the IPU, its officers, employees, agents and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the comparatively negligent performance of the services encompassed by this Agreement, and upon demand by IPU, Consultant shall have an immediate duty to mutually consult the IPU at Consultant's cost or at IPU's option, to reimburse the IPU for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent that any liability arises out of the negligent acts or omissions of Consultant.

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

8. INSURANCE

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

9. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the IPU a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither IPU nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the IPU. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the IPU, or bind the IPU in any manner.

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

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

10. LEGAL RESPONSIBILITIES

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

11. UNDUE INFLUENCE

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

12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

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

13. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without IPU's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the IPU, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the IPU, unless otherwise required by law or court order.

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

14. NOTICES

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

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

To IPU: Industry Public Utilities
15625 Mayor Dave Way
City of Industry, CA 91744
Attention: Joshua Nelson, Public Utilities Director

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

To Consultant: Hometownhub, LLC
412 Linden Avenue
Rochester, NY 14625
Attention: Erin Christy, Chief Operating Officer

15. ASSIGNMENT

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

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

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

16. GOVERNING LAW/ATTORNEYS' FEES

The IPU and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the

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

17. ENTIRE AGREEMENT

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

18. SEVERABILITY

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

19. COUNTERPARTS

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

20. CAPTIONS

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

21. WAIVER

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

22. REMEDIES

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

23. AUTHORITY TO EXECUTE THIS AGREEMENT

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

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

“IPU”
Industry Public Utilities

“CONSULTANT”
Hometownhub LLC

By _____
Joshua Nelson, Public Utilities Director

By _____
Erin Christy, Chief Operating Officer

Attest:

By _____
Julie Gutierrez –Robles, Secretary

Approved as to form:

By: _____
James M. Casso, General Counsel

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

EXHIBIT A

SCOPE OF SERVICES

The Consultant shall provide Customer Account Services for customers receiving electric services from the IPU, consistent with the IPU electric rate structure and rules and in accordance with all amendments and/or modifications to the electric rate structures and rules adopted by the IPU and other related services. The breakdown of scope of services is described in details below:

SECTION 1 – ESTABLISHMENT AND MAINTENANCE OF ACCOUNTS

1.1 Establishment of Accounts

- Consultant shall establish an account for each customer in its billing system.
- Consultant shall maintain each established customer account.
- Consultant shall record and update changes to the customer's account including, at a minimum, name, service address, mailing address, and telephone number changes.
- Consultant shall utilize a secure data collection system, portal, or other method for collecting, uploading, and storing confidential data, including social security numbers and other sensitive personal information.

1.2 IPU Customer Deposit Requirements

- Consultant shall collect IPU Customer Deposits on behalf of the IPU.
- Consultant shall deposit collected funds with the IPU on a daily basis.
- Consultant shall notify the IPU of deposits and account activity via facsimile and email each day that deposits are made, including at a minimum the date and amount of the customer deposit(s).
- Consultant shall provide refunds and issue credits to customers as a result of billing or meter read errors, in accordance with applicable law, credit policies, and procedures described in the IPU electric rate structure.
- Consultant shall notify the IPU when customer deposits are required to be returned.
- Consultant shall notify the IPU of interest due on a customer's deposit, as described in the applicable IPU Tariffs.
- IPU will issue a deposit repayment to the electric customer within 10 days of the IPU's determination of the customer's refund eligibility.
- IPU checks will be forwarded to Consultant for customer distribution.

1.3 Closing of Account at Customer's Request

- Consultant shall remove a customer's service using an IPU-selected field contractor if the customer cancels their electric service and closes the account, following the final meter read and payment of the final invoice.

1.4 Billing Reports

Prior to the end of each month, Consultant shall submit a billing report to the IPU electronically and by mail, notifying the IPU of:

- The number of accounts established and terminated;
- The total number of accounts and aggregate amount of IPU charges billed;
- The aggregate amount of adjustments to IPU charges previously billed or collected;
- Any inquiries from customers and the resolution of those inquiries; and
- Any other information requested by the IPU.

SECTION 2 – CUSTOMER BILLING PROCEDURES

2.1 Calculation of IPU Charges

- Consultant shall calculate IPU charges for customers receiving electric services based on the IPU electric rate structure and applicable usage data.
- Consultant shall screen customer usage data for accuracy in accordance with standard practices prior to calculating IPU charges.
- Consultant shall include IPU charges on the customer's account statement on the next scheduled billing date.
- In the event that Consultant does not receive usage data or other information necessary to calculate IPU charges by the required date, Consultant shall include the information in the next account statement, or an interim bill reflecting the customer's usage to date or estimated usage based on IPU policies, good industry practice, and IPU Tariffs.

2.2 Customer Account Statement

- Consultant shall bill customers monthly for IPU charges in accordance with the customer's billing cycle schedule.
- Consultant and the IPU shall jointly determine the substance, format, and billing cycle schedule for all customer accounts.
- Consultant shall include any insert requested by the IPU in the customer's monthly account statement. The IPU will be responsible for the incremental costs associated with such inserts.
- Consultant shall, at its sole cost and expense, mail customer bills via U.S. mail service. The IPU will be responsible for any additional postage costs associated with mailings requested by the IPU.
- Consultant shall establish online services to enable customers to access their billing information and make online payments.

- The IPU will be responsible for funding the initial setup costs of the online bill service, including merchant bank fees and charges for online payment processing.
- The online payment system shall comply with best practices and shall be developed to provide a secure site for users.
- There is no additional charge to the IPU or customer for processing mailed-in customer payments.

2.3 Adjustments to IPU Charges

- Consultant shall attempt to resolve all customer disputes relating to IPU charges in accordance with policies and procedures described in the IPU electric rate structure.
- The IPU will maintain responsibility for resolving customer disputes regarding the IPU electric rate structure, including disputes regarding the terms and application of specific rate schedules.
- Consultant shall refer all such inquiries and disputes to the IPU within 10 days of receipt, or sooner as required under the IPU electric rate structure.
- Consultant shall process adjustments to a customer's IPU charges (as approved by the Public Utilities Director), and shall issue a corrected billing statement or shall make the correction on the customer's following account statement or interim statement.
- Overcharges previously paid by a customer shall, as permitted by the IPU electric rate structure, be credited to the customer on the following account statement.

SECTION 3 – CUSTOMER PAYMENTS

3.1 Processing

- Consultant shall process all payments received from customers by remitting such payments to the IPU.
- Payments received will be deemed the property of the IPU and shall be held in trust for the IPU.
- Payments received by Consultant shall not be deemed payments to Consultant.

3.2 Online Payments

- Online payments will be processed through the Consultant's portal using PayStar as the payment processor.
- Consultant will provide the IPU with a total of all online payments daily, along with check payments.

3.3 Partial Payments; Priority

- Consultant shall credit partial payments received from a customer in accordance with the IPU's established Tariff.

SECTION 4 – COLLECTION AND NONPAYMENT

4.1 Collection of IPU Charges by Consultant

- Consultant shall collect IPU charges in accordance with the IPU electric rate structure.
- Consultant shall notify customers of overdue IPU charges in accordance with applicable laws and the IPU electric rate structure.
- Consultant shall reconcile amounts collected against IPU charges for each customer account and identify accounts with past due balances.
- Collection of customer charges will be processed by mail-in payment, electronically, or as requested by the IPU.
- Consultant shall be responsible for the receiving and processing of customer payments.
- Payments received by Consultant shall be held in trust for the IPU and deposited into the IPU's designated bank account within 24 business hours of receipt.
- Consultant shall provide training to IPU staff and access to Consultant's billing system and customer information systems remotely at no additional charge.

4.2 Nonpayment and Use of Collection Agency

- Consultant shall pursue collection of unpaid, overdue amounts from customers in accordance with the IPU electric rate structure and collection policies.
- If desired by the IPU, Consultant shall work with the IPU to identify and select a collection agency to assist with collection efforts.
- The collection agency will be used in accordance with the IPU electric rate structure and shall only collect unpaid IPU charges after the customer's electric service has been terminated.
- Payment of fees charged by the collection agency shall be the responsibility of the IPU.

4.3 Termination of Customer's Electric Services Due to Nonpayment

- Consultant shall terminate a customer's electric services for nonpayment of IPU charges in accordance with the termination policies and procedures described in the IPU of Industry Tariff, Electric Rule 11 — Discontinuance and Restoration of Service.

SECTION 5 – CUSTOMER INQUIRIES

5.1 Toll-Free Telephone Number

- Consultant shall make a 24/7 toll-free telephone number available on each customer's account statement and to potential customers for inquiries related to IPU Electric Services, including customer inquiries regarding IPU charges, account statements, outages, usage, payments, deposits, IPU electric rate structure, turn-ons, turn-offs, and transfers of electric services.
In the event of an emergency power outage, Consultant shall immediately dispatch the outage to the IPU's emergency response contractor. Consultant shall contact and follow up with the IPU's affected customers every 1.5 to 2 hours, or as requested by the IPU customer, and the IPU's emergency response contractor until power has been restored.
- IPU will require the emergency response contractor to provide an estimated time of restoration within one hour of arrival and assessment of the outage situation. The emergency response contractor will provide updates to Consultant every 1.5 to 2 hours thereafter until service is restored.
- Consultant shall provide the toll-free number to the IPU upon execution of this Agreement.

5.2 Responsibilities of Consultant's Telephone Representatives

- Consultant shall have telephone representatives available during normal business hours to answer inquiries related to Electric Services. Basic customer inquiries may be handled by interactive voice response.
- Consultant shall handle all customer calls for electric system outages on a 24/7 basis.
- Consultant will dispatch service requests requiring field technician response to IPU personnel or IPU's contracted routine and emergency response subcontractor. All dispatched service orders shall be monitored and tracked by Consultant to ensure timely completion.
- Routine dispatch shall include turn-ons and turn-offs for customer move-ins and move-outs, meter read verifications, meter tests, streetlight and traffic signal repair requests.
- Emergency dispatch shall include power outages, low/high voltage complaints, fluctuating voltage, car-hit-pole incidents, and downed electric lines.
- Consultant shall be responsible for training its personnel to answer customer inquiries and dispatch appropriate IPU personnel or contracted providers for service and emergency orders.
- Consultant shall provide multilingual services using its staff and professional on-demand phone interpreting services at no additional charge to the IPU.

5.3 Responses to Customer Inquiries

Consultant shall develop policies and procedures for Consultant's telephone representatives in response to customer inquiries, including:

- IPU-approved policies and procedures for processing requests for turn-ons and turn-offs;
- Transfers of electric services;
- Generating service orders;
- Scheduling service calls; and
- Communicating such orders and schedules to IPU-designated personnel.

Consultant shall attempt to resolve customer inquiries in accordance with IPU electric rate structure, policies, and procedures.

5.4 Records

- Consultant shall maintain and submit to the IPU on a monthly basis records of inquiries and complaints of customers or potential customers, including the resolution of such inquiries, in accordance with the IPU's records retention schedule.
- Consultant shall update customer account records to reflect customer inquiries on a regular basis.

5.5 Communications

- Monthly, Consultant shall provide the IPU with a list of customer inquiries and the resolution of those inquiries, as set forth in Section 5.4.
- In the event that Consultant receives a customer inquiry outside of the Scope of Services, or an inquiry that is not routine in nature, Consultant shall immediately provide the inquiry to the IPU.

SECTION 6 – FEES AND SURCHARGES BILLED TO CUSTOMERS

6.1 Reports to the IPU

- Consultant shall provide monthly reports to the IPU in support of any charges billed to customers for electric services.
- Consultant shall notify the IPU if any taxing or other authority advises Consultant that it intends to audit records in Consultant's possession, custody, or control with respect to this Agreement.

SECTION 7 – REMOTE MONITORING OF WADDINGHAM SUBSTATION

Consultant shall perform remote monitoring services for the Waddingham Substation as follows:

- Remotely monitor the 24-hour Tattletale Alarm system.
- Upon implementation of the monitoring systems, Consultant will remotely monitor four new substation security cameras.

- Consultant will remotely monitor the read-only substation HMI (one user at a time only).
- Consultant will receive all substation alarm notifications through email or text message for awareness. Consultant is not expected to act on these alarms, as other parties will be assigned this duty.

SECTION 8 – SMART METERS

8.1 AMI Installation Support

- Consultant shall assist as needed and support the installation of the new metering system and Automated Metering Infrastructure (AMI) and make it functional. Consultant shall utilize the meter data for billing of IPU customers and ensure that its staff is fully familiar with and trained on the new system.

8.2 Meter Data Management System (MDM)

- Consultant will train its staff on the use of the MDM system and its functions for meter data repository, analysis, meter inventory management, and scheduling of meter reads for customer billing.
- Consultant shall ensure that all meter data is stored in the MDM system and that all sensitive customer data is stored in the Consultant customer information and billing system.
- Consultant will work to integrate, to the extent practical, the MDM with Consultant's billing software and systems.

SECTION 9 – METER READING SERVICES

- Consultant shall provide all labor, materials, supervision, software, tools, and transportation to deliver meter reading services to the IPU.
- Consultant shall obtain monthly meter reading data from the Meter Data Management System (MDMS) for billing and customer queries.
- Manual meter read services will be billed at the hourly billable rates shown on Exhibit B.

SECTION 10 – OTHER SUPPORT SERVICES

- Consultant will provide meter data in the format required for a time-of-use rates study based on cost of service and other special reports and research as needed by the IPU, billed at the billable rates shown in Exhibit B.
- Consultant will provide logistical support during natural disasters such as fire, earthquake, terror threats, and HAZMAT incidents.

SECTION 11 – CUSTOMER PORTAL

- Consultant shall provide a customer portal for bill presentment and online payment processing.
- Consultant shall maintain the portal to ensure that customers have continued access for payment processing, electric usage review, and bill viewing.

EXHIBIT B
RATE SCHEDULE

SaaS License Fees and Service Delivery Fees. All fees are summarized in the table below with rates for separate billable items that follow. The \$25,000 implementation fee is amortized in equal monthly installments across the 12 months of Year 1 and does not recur in Year 2 or beyond.

Meter replacements shall only be performed as necessary, as maintenance for a failed meter, and only upon approval by the Public Utilities Director.

Fee Component	Notes	Year 1 Annual	Year 1 Monthly	Year 2 Annual	Year 2 Monthly	Year 3 Annual	Year 3 Monthly
A. Platform SaaS Fees	Annual SaaS License (Oracle CCS & Portal)	\$7,000	\$583	\$7,000	\$583	\$7,350	\$ 613
B. Implementation Fee	One-time; amortized equally over 12 months in Year 1	\$25,000	\$2,083	\$ -	\$ -	\$ -	\$ -
C. Monthly Services Delivery	All Customer Account Services per SOW Sections 1-6, 9-11	\$120,000	\$10,000	\$120,000	\$10,000	\$126,000	\$10,500
TOTAL (Fixed Fees Only)	Excludes variable field support and equipment	\$152,000	\$12,666	\$127,000	\$10,583	\$133,350	\$11,113

Rates for Other Separately Billable Services.

Item Number	Service or Title of Position	Material	Labor Hourly Rate	Total	Sat / Sun/ Holidays/ Weekends
1	Engineering & Remote TOU Data Collection and Processing		\$171.00		\$198.00
2	Meter Technician – Remote Meter Data Processing		\$121.00		\$138.00
3	Meter Reader – Field Reading & Verifications		\$88.00		\$110.00
4	Meter Trouble Shooting per Hour		\$215.00		\$248.00
5	Meter Communication / Programming		\$209.00		
Meter Testing Per Meter:					
6	Single Phase Per Meter		\$193.00		
7	Three Phase Per Meter		\$352.00		
8	Work requested to be performed before or after normal business hours will be charged in addition to labor rate. Business Hours Mon - Fri 7am - 5pm		\$66.00		
Meter Replacement:					
9	Meter Replacement. 1-Phase and Residential, no wiring or other equipment installed, just the meter set. Old Style Meter (Non-AMI Meter)		\$165.00		
10	Meter Pre-Install Accuracy / Program Verification Check / Values Cleared		\$94.00		
11	Qty 1: Meter with voltage recording, TOU, bidirectional, interval data.	\$187.00	\$0.00		
Totals		\$ 187.00	\$ 259.00	\$ 446.00	

Meter Replacement:				
12	Meter Replacement 3-Phase CT-Rated and Self-Contained No wiring or other equipment installed, just the meter set. Old Style Meter (Non AMI Meter)		\$220.00	
13	Meter Pre-Install Accuracy / Program Verification Check / Values Cleared		\$94.00	
14	Qty 1: Meter with voltage recording, TOU, bidirectional, interval data.	\$209.00	\$ -	
Totals		\$ 209.00	\$ 314.00	\$ 523.00
Meter Change Out - Labor per Meter				
15	Single Phase and Residential. Meter Set Only, no other Equipment Installed. Meter Provided by IPUC		\$176.00	
16	Three-Phase CT-Rated and Self-Contained. Meter Set Only, no other Equipment Installed. Meter Provided by IPUC		\$209.00	
Meter Install With CT Pricing – See List Below				
Response Time – Service call schedules are generally available on Thursday of the week prior. End-customer appointments will be made if required and if given customer name and contact information.				
Meter Test - Includes meter accuracy test using field test instruments.				
Meter Installation – For CT rated services, installation includes installation of CTs, test switch, secondary wiring, verification of meter program and service. CT, meter, test switch, and sealing ring cost are in addition to the service price.				
METER INSTALLATION COST with Meter				
100:5 to 2200:5 Bar and Donut CT Meter Installation Cost				
	Description	Quantity	Cost Each	Total
17	Installation of meter, test switch, CTs, and secondary wiring	1.00	\$1815.00	\$1815.00
18	10 Pole Test Switch	1.00	\$215.00	\$215.00
19	Meter Socket Sealing Ring	1.00	\$22.00	\$22.00
20	CTs, 100:5 - 2000:5 Bar & Donut Type. Qty 3 Needed per Install. Prices show per 1, RF=2 @ 30C/55C			
21	100:5 RF4/3, ACC 0.3, CP, B0.2, Stud, Bar, Terminal Qty1:	1.00	\$259.00	\$259.00
22	200:5 RF2/1.5, ACC 0.5, CP, B0.2, Stud, Bar, Terminal Qty1:	1.00	\$303.00	\$303.00
23	200:5 RF4/3, ACC 0.5, CP, B0.2, Stud, Bar, Terminal Qty1:	1.00	\$336.00	\$336.00
24	300:5 RF2/1.5, ACC 0.5, CP, B0.2, Stud, Bar, Terminal Qty1:	1.00	\$275.00	\$275.00
25	400:5 RF2/1.5, ACC 0.5, CP, B0.2, Stud, Bar, Terminal Qty1:	1.00	\$303.00	\$303.00
26	400:5 RF4/3, ACC 0.3, CP, WS-Bar, B0.5, Terminal Qty1:	1.00	\$495.00	\$495.00
27	400:5 RF4, Stud, 5-5/8" ID Win, No Bracket, Terminal Qty1:	1.00	\$385.00	\$385.00
28	600:5 RF3, Stud, 5-5/8" ID Win, No Bracket, Terminal Qty1:	1.00	\$418.00	\$418.00
29	800:5 RF2, Stud, 5-5/8" ID Win, No Bracket, Terminal Qty1:	1.00	\$418.00	\$418.00
30	1000:5 RF2, Stud, 5-5/8" ID Win, No Bracket, Terminal Qty1:	1.00	\$457.00	\$457.00
31	1200:5 RF2, Stud, 5-5/8" ID Win, No Bracket, Terminal Qty1:	1.00	\$484.00	\$484.00
32	1500:5 RF3, Stud, 5-5/8" ID Win, No Bracket, Terminal Qty1:	1.00	\$506.00	\$506.00
33	2000:5 RF2, Stud, 5-5/8" ID Win, No Bracket, Terminal Qty1:	1.00	\$539.00	\$539.00

	METER INSTALLATION - TOU, BIDIRECTIONAL				
34	Meter with voltage recording, TOU, bidirectional, interval data, tested	1.00	\$209.00	\$209.00	
35	<i>Add \$29.00 for 2-KYZ</i>	1.00	\$29.00	\$29.00	
	Optionally: Meters, CTs, PTs, Metering Equipment - Includes acquisition, storage and shipping charges of meters and meter equipment. All meters and material will be at cost with shipping.				

EXHIBIT C

INSURANCE REQUIREMENTS

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

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

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

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

Cyber Liability Insurance. The Consultant shall maintain cyber liability insurance in an amount not less than \$2,000,000.00 per occurrence or claim and in the general aggregate. Coverage shall be sufficiently broad to respond to the Services set forth in this Agreement, and shall include but not be limited to the claims involving infringement of copyright, trademark, trade dress, claims involving privacy violations, information thefts, damage to or destruction of electronic information, intentional and/or unintentional release of private information(including credit monitoring costs), alteration of electronic information, extortion and network security.

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

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

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

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

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

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

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

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

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

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a

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

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

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

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

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

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

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

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

Timely notice of claims. Consultant shall give the IPU prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this

Agreement, and that involve or may involve coverage under any of the required liability policies.

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

ITEM NO. 6.4

Verbal Presentation

ITEM NO. 6.5



INDUSTRY PUBLIC UTILITIES COMMISSION

MEMORANDUM

TO: President and Commissioners

FROM: Joshua Nelson, Public Utilities Director

STAFF: Mathew Hudson, Director of Public Works
Roy Frausto, General Manager

DATE: May 14, 2026

SUBJECT: Consideration of Groundwater Production Rights Lease with La Puente Valley County Water District

Background:

The IPU Waterworks System, also referred to as the CIWS, has 1,103 acre-feet (AF) of adjudicated prescriptive pumping rights in the Basin. These rights equal a 0.5581% Pumper's Share of available pumping rights annually. These pumping rights allow the CIWS to produce water from the basin on an annual basis in accordance with the rules and regulations of the Basin's Watermaster. The Watermaster Board of Directors annually establishes an Operating Safe Yield for the Basin, which is the amount of water that can be pumped annually from the Basin that is anticipated to be replenished by local precipitation within its watershed. For the current 2025-26 production year, the Operating Safe Yield was set at 160,000 AF. This results in the City having 892.96 AF of pumping rights for the 25-26 year.

Discussion:

The CIWS's five-year average annual water production is approximately 1,228 AF, which is greater than its annual production rights in the Basin. This results in the CIWS having to lease groundwater production rights or purchase replenishment water to replace the water produced over its production rights. When needed, replenishment water is purchased from the Upper San Gabriel Valley Municipal Water District (Upper District). Upper District's rate for replenishment water is \$1,087 per AF. To avoid purchasing water at this cost, District staff actively pursue leases of water production rights in the Basin to offset the amount of purchased replenishment water. Leases are preferred by District staff when the cost per AF to lease rights provides a savings to the CIWS's customers as compared to the purchase of replenishment water. District staff has been successful in the past in leasing water production rights at 91 percent of the Upper District rate for replenishment water.

For this fiscal year, District staff has secured a lease of groundwater production rights at 91 percent of Upper District's replenishment rate. A Production Rights Lease is enclosed for your review and approval. Provided below is a calculation of the production rights lease rate for the current year:

$\$1,087 \times 91\% = \989.17 per AF
 $300 \text{ AF} \times \$989.17 = \$296,751$

Fiscal Impact:

The IPU Water Operations 2025-26 Fiscal Year (FY) Budget appropriates \$305,000 for the lease of groundwater production rights, of which \$0.00 has been expended to date. The estimated cost of leasing 300 acre-feet from the District at 91 percent of Upper District's replenishment rate is \$296,751, which is within the 2025-26 FY Budget. This lease transaction will result in \$29,349 savings in the cost of replenishment water as compared to the estimated cost for the same 300 acre-feet at the full replenishment rate of \$1,087 per acre-foot, which would have amounted to \$326,100.

Recommendation:

Approve the lease of 300 acre-feet of Groundwater Production Rights from the La Puente Valley County Water District (District) at a rate of \$989.17 per acre-foot.

Exhibits:

1. Water Rights Lease Agreement 2025-2026

LEASE OF WATER RIGHTS

PRODUCTION RIGHT

THIS LEASE OF WATER RIGHTS (the “Lease”) is entered into on this 14th day of May, 2026 (“Effective Date”), by and between La Puente Valley County Water District, a County Water District (“Lessor”), and the Industry Public Utilities, a public agency (“Lessee”), with respect to the following:

RECITALS

WHEREAS, both Lessor and Lessee were parties in that certain action that adjudicated groundwater rights in the Main San Gabriel Groundwater Basin (Upper San Gabriel Valley Municipal Water District v. City of Alhambra, et al., Los Angeles County Superior Court Case No. 924128) and has resulted in the Amended Judgment dated August 24, 1989 (the “Amended Judgment”); and

WHEREAS, pursuant to the Amended Judgment, both Lessor and Lessee hold certain adjudicated rights to pump groundwater from the Main San Gabriel Groundwater Basin (“Main Basin”) on an annual basis which are further described in the Amended Judgment and referred to for purposes of this Agreement as “Annual Production Rights”; and

WHEREAS, pursuant to the Amended Judgment, including but not limited to Section 55 thereof, parties to the Amended Judgment are authorized to assign, transfer, license or lease all or any portion of their Annual Production Rights to other entities, including but not limited to other parties to the Amended Judgment, provided that appropriate notice procedures established by the Main San Gabriel Basin Watermaster (“Watermaster”) are followed; and

WHEREAS, as of the date hereof, Lessor has 300 acre-feet of Annual Production Rights for the 2025-2026 water year available for lease; and

WHEREAS, Lessor and Lessee desire to enter into this Lease for the 300 acre-feet of Annual Production Rights for the 2025-2026 water year.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises set forth herein, Lessor and Lessee agree as follows:

1. Leasing of Production Rights. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, Three Hundred (300) acre-feet of Annual Production Rights (the “Leased Production Rights”) for the term and upon the terms and conditions set forth in this Lease.

2. Term. The term of this Lease shall be for a period commencing on the Effective Date and ending June 30, 2026.

3. Lease Rate, Payment and Adjustment.

The lease rate under this Lease shall be ninety-one percent (91%) of the prevailing Pre-purchased Supplemental Water Rate (the “Pre-purchased SWR”) set by the Upper San Gabriel Valley Municipal Water District’s Board of Directors (“USGVMWD”) on September 10, 2025. That Pre-purchased SWR is \$1,087 per acre foot for the current production year.

Thus, the gross rental amount payable for the lease of the Leased Production Rights under this Lease for the term as listed in paragraph 2 above shall be Two Hundred Ninety-Six Thousand Seven Hundred Fifty-One (\$296,751), which is calculated on the basis of 91% of the Pre-purchased SWR of \$1,087 per acre foot. If the Pre-purchased SWR set by USGVMWD is revised or otherwise changed and made effective prior to June 30, 2026, a reconciling payment adjustment will be made by the Lessee or the Lessor, as the case may be, to the other party within 30 days from the date the revised Pre-purchased SWR is approved by USGVMWD.

Upon execution of this Lease, Lessor will send an invoice for, and Lessee will make the full payment of \$296,751 within 15 days of Watermaster’s acknowledgement of the Lease.

All payments due Lessor pursuant to this Lease shall be made and sent as follows:

La Puente Valley County Water District
112 N. First Street
La Puente, CA 91744

4. Agreement Regarding Main San Gabriel Basin Watermaster.

(a) Lessor agrees to execute and deliver to Lessee all documents which, from time to time, may be required by the Watermaster to reflect the lease to Lessee of the Leased Production Rights which are the subject of this Lease. All such documents shall be in such form and substance as shall be reasonably satisfactory to Lessor, Lessee and the Watermaster. If for any reason, the Watermaster elects not to acknowledge this Lease, Lessor agrees to refund prior payments to Lessee within 30 days from the date of a refund request by Lessee and substantiation of said refusal by Watermaster.

- (b) Lessee shall, at its expense, prepare and submit all reports required by the Watermaster in connection with the exercise by Lessee of the Leased Production Rights.
- (c) Lessee shall pay all assessments required by Watermaster and the San Gabriel Valley Water Association in connection with the exercise by Lessee of the Leased Production Rights.
- (d) This Lease entitles Lessee to the use only of the Leased Production Rights (i.e., lease of water rights) associated with Lessor's Production Rights. Lessor retains and does not convey to Lessee any other rights associated with said Production Rights.
- (e) The parties shall execute and file with the Watermaster all documents required under the Amended Judgment.
- (f) The parties agree to comply and be bound by all terms and conditions of the Amendment judgment and any and all other orders or determinations of the court and Watermaster.

5. Indemnification.

- (a) Lessor shall indemnify, hold harmless and defend Lessee and each of its officers, officials, employees, agents and authorized volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by the Lessee, Lessor, or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly, are a consequence of, or are in any way attributable to, in whole or in part, the performance of the Agreement from the negligent or intentional acts or omissions of Lessor or any of its officers, officials, employees, agents or authorized volunteers in the performance of this Lease; provided nothing herein shall constitute a waiver by Lessor of governmental immunities including California Government Code Section 810 et seq.
- (b) Lessee shall indemnify, hold harmless and defend Lessor and each of its officers, officials, employees, agents and authorized volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by Lessor, Lessee or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly, are a consequence of, or are in any way attributable to, in whole or in part, the performance of the Lease from negligence or intentional acts or omissions of Lessee or any of its officers, officials, employees, agents or authorized volunteers in the performance of this Lease; provided

nothing herein shall constitute a waiver by Lessee of governmental immunities including California Government Code Section 810 et seq.

6. Other Provisions.

- (a) All communications, notices and demands (collectively “Notices”) of any kind shall be made in writing and personally served or sent by registered or certified mail, postage prepaid to the following:

Lessor: Roy Frausto
La Puente Valley County Water District
112 N. First Street
La Puente, CA 91744

Lessee: Joshua Nelson
Industry Public Utilities
15625 Mayor Dave Way
City of Industry, CA 91744

Any Notice personally served shall be effective upon service. Any Notice sent by mail, and properly addressed, shall be effective upon date of receipt, or refusal as indicated on the return receipt. Either party may change its address for Notices by notice to the other given in a manner provided in this subparagraph.

- (b) This Lease shall inure to the benefit of and be binding upon the heirs, successors and assigns of both parties hereto.
- (c) Each party shall, upon request of the other party, take such further actions and execute and deliver such further instruments as shall be reasonably required to carry out the purpose and intent of this Lease.
- (d) This Lease is executed in the State of California and shall be governed by and construed in accordance with California law. Venue for any action arising out of or related to the Lease shall be placed in any court of the State of California with appropriate jurisdiction and located in the County of Los Angeles, with service of process to be in accordance with the then provisions of the California Code of Civil Procedure.
- (e) This Lease may be executed in two or more counterparts, each of which shall be an original but all of which, together, shall constitute a single instrument. It shall not be necessary for both parties to execute the same counterpart(s) of this Lease for this Lease to become effective.
- (f) This Lease constitutes the entire agreement of Lessor and Lessee with respect to the subject matter hereof. This Lease supersedes all prior

discussions and understandings with respect to the subject matter hereof. There are no representations, warranties, promises or covenants as to the subject matter hereof except as expressly set forth in this Lease.

- (g) This Lease may be amended only by a written instrument executed by both parties.
- (h) The paragraph headings contained in this Lease are for convenience only and shall not be considered in the construction or interpretation of any provision hereof.
- (i) Lessor represents and acknowledges that it is executing this Lease as the owner of the Production Rights that are the subject of this Lease, and that said rights are not encumbered in any way that would interfere with Lessee's rights as set forth herein.
- (j) Neither party shall assign, let or sublet the whole or any part of its interest in this Agreement without the prior written consent of the other party.
- (k) This Lease does not create, and shall not be construed to create, any rights enforceable by any person, partnership, corporation, joint venture, limited liability company, public entity, or other form of organization or association of any kind that is not a party to this Lease.
- (l) In the event of any action between the parties hereto seeking enforcement or interpretation of any of the provisions of this Lease, the prevailing party in such action shall be entitled to an award, in addition to any damages, for its reasonable costs and expenses, including without limitation, actual costs and attorneys' fees, consultants' fees and experts' fees, as ordered by the trier of fact.
- (m) Any waiver of the provisions of this Lease by the party entitled to the benefits thereof as to any instance must be in writing and shall in no event be deemed a waiver of the same provision with respect to any other instance or a waiver of any other provision of this Lease.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Lease as of the Effective Date.

LESSOR

La Puente Valley County Water District

Roy Frausto
General Manager

LESSEE

Industry Public Utilities

Joshua Nelson
Public Utilities Director

ATTEST:

Julie Gutierrez Robles, Secretary

APPROVED AS TO FORM:

James M. Casso, General Counsel