

**THIRD AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND NICHOLS CONSULTING ENGINEERS, CHTD.**

THIS THIRD AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("Third Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Nichols Consulting Engineers, CHTD., a Nevada corporation ("Consultant" or "Contractor").

WHEREAS, on April 18, 2023, the parties hereto entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on December 19, 2023, the parties hereto entered into the First Amendment to the Agreement (the "First Amendment") to add tasks related to civil design and pavement design services (Task 6 – Design Services for the FY 2022 Residential Street Rehabilitation Project and the FY 2023 Residential Street Rehabilitation Project), set a not to exceed amount of \$319,750 for Task 6, and increase the Consultant's total compensation cap to \$553,750; and

WHEREAS, on March 18, 2025, the parties hereto entered into the Second Amendment to the Agreement (the "Second Amendment") to add Task 7 – FY 2023 Residential Street Rehabilitation Project Additional Intersection Designs and Lilienthal Lane Regrading, and increase the Consultant's total compensation limit by \$162,210, for a new total compensation cap of \$715,720; and

WHEREAS, the parties hereto desire to amend the Agreement.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendments to the Agreement:

1. Project Description and Scope of Services. Exhibit "A" of the Agreement, as previously amended by Exhibits "A-1" and "A-2", is hereby further amended to include Exhibit "A-3", which adds tasks related to design services for the FY 2024 Residential Street Rehabilitation Project and the 2026-2028 Pavement Management Program Update. Exhibit "A-3" is attached hereto and incorporated by reference.
2. Term. Exhibit "B" of the Agreement is hereby amended to add Exhibit "B-1", which extends the Agreement to June 30, 2029. Exhibit "B-1" is attached hereto and incorporated by reference. Consultant shall commence and complete all services described in Exhibit "A", as amended by Exhibits "A-1", "A-2", and "A-3".
3. Compensation. Exhibit "C" of the Agreement, as previously amended by Exhibits "C-1" and "C-2", is hereby further amended to increase the Consultant's compensation limit by \$439,315, resulting in a new total compensation limit of \$1,155,035, as detailed in Exhibit "C-3", which is attached hereto and

incorporated by reference. Consultant shall continue to be compensated for the services described in Exhibits "A", "A-1", "A-2", "and "A-3".

4. No Other Amendments. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, First Amendment, Second Amendment, and this Third Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter herein. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, and this Third Amendment, the terms of this Third Amendment shall govern.

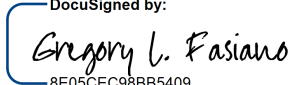
SIGNATURES FOLLOW ON THE NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Third Amendment in Redondo Beach, California, as of this 2nd day of December, 2025.

CITY OF REDONDO BEACH
a chartered municipal corporation

James A. Light, Mayor

NICHOLS CONSULTING ENGINEERS, CHTD.,
a Nevada corporation

DocuSigned by:

By: _____
Name: Gregory L. Fasiano
Title: Vice President & Secretary

ATTEST:

Eleanor Manzano, City Clerk

APPROVED:

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Joy A. Ford, City Attorney

EXHIBIT "A-3"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

I. CONSULTANT'S DUTIES

Consultant shall furnish all labor, materials, supervision, and professional expertise to perform the following services in accordance with the Standard Specifications for Public Works Construction (Greenbook), the Caltrans Highway Design Manual, the California MUTCD, the 2010 ADA standards, ASTM D6433 protocols, and other applicable federal, state, and City standards and requirements. Consultant shall ensure all work is completed, signed, and stamped by a California licensed Professional Engineer, to the extent required by law or City direction.

A. FY 2024 RESIDENTIAL STREET REHABILITATION PROJECT (TASKS 8 TO 12)

1. TASK 8 – PROJECT MANAGEMENT & MEETINGS

- a. Meet with City Staff at a Project kick-off meeting to review scope of work, establish lines of communication, confirm deadlines, establish project milestones, and define design and operation criteria.
- b. Establish regularly scheduled progress meetings to regularly update the City on a monthly basis or as agreed upon by both parties.
- c. Prepare agendas and summaries for all meetings.

2. TASK 9 – PAVEMENT DESIGN

- a. Condition Surveys and Base Repair Markings. Perform a detailed pavement condition survey of the subject street segment based on visually observable distresses and identify needed base repairs for approximate bid quantities.
- b. Coring and Laboratory Testing. Collect pavement section core samples (4" or 8" diameter cores) on the City identified street sections for the projects in this Task 9. Carry out up to two days of coring and extract up to nineteen cores. Obtain and test up to five (5) bulk samples of subgrade in support of potential street reconstruction for laboratory testing, such as R-value, moisture content, and Atterberg Limits (plasticity index).
- c. Draft Pavement Design Report. Perform pavement analysis and design services and develop pavement rehabilitation recommendations for the identified street section in accordance with Greenbook standards and supplemented with the Caltrans Highway Design Manual pavement design methodology. Develop pavement structural section recommendations expressed in the form of a Traffic Index (TI) that will be provided by the City. Summarize recommendations including the results of condition surveys, coring, and laboratory testing, the description of testing procedures and analysis performed, and recommended alternatives for pavement rehabilitation.
- d. Final Pavement Design Report. Prepare a final pavement design report certified, signed, and stamped by Consultant's California licensed Pavement Engineer for the Project.

- e. Deliverables. Submit electronic copies of the Treatment List with Base Repair Quantities, Draft Pavement Design Report, and Final Pavement Design Report.

3. TASK 10 – UTILITY COORDINATION

- a. Utility "A" Letters. Coordinate with utility agencies in the design process to keep utility providers informed about the project and schedule.
- b. Utility "B" Letters. Prepare a final Utility "B" Letter informing local utility operators of impending construction and moratorium requirements after completion of the 90% draft Plans. The letters must be prepared and tracked similar to the Utility "A" letters.
- c. Deliverables. Provide Utility "A" letters and Utility "B" letters with tracking matrices.

4. TASK 11 – PLANS, SPECIFICATIONS & ESTIMATES

- a. Roadway Improvements
 - i. Design Data Gathering. Conduct a review of data and records from the City, public and private utility providers to support the preparation of project contract documents. Conduct a field review of existing site geometry including typical roadway widths and cross slopes to support the development of the roadway improvement basemap noting the presence of utility covers and manholes. Gather inventory of damaged concrete flatwork such as curb and gutter damage to the extent it impacts the site drainage and pavement rehabilitation. Verify sidewalk repair information from the City's existing sidewalk repair and maintenance program for severe damage exceeding three inches vertical uplift.
 - ii. 60% Draft PS&E. Develop a CAD basemap utilizing both field measurements and aerial imagery at a scale of 1" = 100' or similar on 22"x34" sheets and depict pavement treatments with approximate paving limits, a base repair inventory presented in tabular form, and relevant paving details. Indicate quantities for concrete flatwork collected in the previous task including curb and gutter replacements, sidewalk repairs, and ADA curb ramps. Tabularize the required number of surface-visible utility adjustments by facility type. Inventory existing pavement striping and markings for replacement in like-kind and tabularized by MUTCD code or depicted on the vicinity map with callouts as deemed most appropriate. Technical specifications and payment descriptions for the bid items must be developed in MS Word utilizing Greenbook Standard Specifications and the City's boilerplate template.
 - iii. 90% Draft PS&E. Revise 60% PS&E to incorporate comments received from City and provide a response to each comment. Include information provided by the utility operators.
 - iv. 100% Final PS&E. Revise 90% PS&E to incorporate comments received from City and provide a response to each comment. Include information provided by the utility operators. Review, stamp, and sign the final PS&E.

- v. Deliverables. Submit electronic copies of 60%, 90%, and 100% Final Plans, Technical Specifications, and Estimate of Probable Construction Cost (PS&E).
- b. Curb Ramp Details (Up to 81)
- i. Design Data Gathering. Conduct a basic inventory of non-ADA-compliant curb ramps evidenced by the lack of a detectable warning surface (raised truncated domes).
 - ii. 60% Draft. Develop up to 81 curb ramp details in accordance with Greenbook Standard Plan curb ramp types with key layout information, conflicts, and dimensions.
 - iii. 90% Draft. Revise 60% draft Curb Ramp Details to incorporate comments received from City and provide a response to each comment.
 - iv. Final Curb Ramp Details. Revise 90% Curb Ramp Details to incorporate comments received from City and provide a response to each comment. Review, stamp, and sign the final curb ramp detail sheets and incorporate in the 100% Final PS&E.
 - v. ADA Exception Memos (Up to 20). Develop and provide curb ramp hardship exception memorandums for locations with conflicts that require design exceptions.
 - vi. Deliverables. Submit electronic copies of 60%, 90%, and 100% Final Curb Ramp Detail sheets and ADA exception memos.

5. TASK 12 – BIDDING AND CONSTRUCTION SUPPORT

- a. Design Services During Bidding. Provide up to 14 hours of staff time for assistance during the advertisement and bidding period of the projects. Assistance includes attendance at the pre-bid meeting, preparation of verbal and written responses to questions received about the project design, and preparation of clarifications to the PS&E.
 - i. Provide the following deliverables, on an as needed basis:
 - a. Attend pre-bid meeting.
 - b. Prepare responses to questions received regarding project design.
 - c. Prepare one (1) bid addendum as necessary.
 - d. Review bid responsiveness.
- b. Design Services During Construction. Provide up to 40 hours of staff time for design support services during the construction phase of the project. Services include attendance at the pre-construction meeting, review of Requests for Information (RFIs), review of Contractor's Submittals, providing recommendations for construction changes due to unforeseen circumstances, or reviewing and assisting with Contract Change Orders.
- c. Writing Requirement. Provide all bidding and construction phase clarification, RFI responses, sketches, addenda, and design recommendations in writing and in accordance with the applicable standards described in this Exhibit "A".

B. 2026-2028 PAVEMENT MANAGEMENT PROGRAM UPDATE (TASKS 13 TO 14)

1. TASK 13 – 2026-2028 PAVEMENT MANAGEMENT PROGRAM (PMP) DEVELOPMENT AND REPORT
 - a. Project Management, Progress Meetings, and Update PMP Software License
 - i. Meet with City Staff at a Project kick-off meeting and subsequent progress meetings at milestones to review work performed and address any questions or issues during the work processes.
 - ii. Provide a schedule for the collection of the field data, and contact names and cell phone numbers of the consultant/subcontractor completing the field work.
 - iii. Discuss a summary of the expectations to complete the project with the City.
 - iv. Provide one updated pavement management software (PMS) license to the City for a three year period.
 - v. Provide the following agendas and summaries of all meetings.
 - b. Pavement Condition Surveys (Streets & Alleys)
 - i. Perform distress collection surveys using automated protocols for the City's street network of 152.3 centerline miles (streets and alleys) as per ASTM D6433 protocols. The City's street network includes arterial, collector, residential, and alley streets. Survey streets with a raised median in both directions of travel.
 - ii. Submit PMP database review, database issues list, draft and final Quality Control Plan, field data collection survey summary, updated PMP database with pavement distress data, current Pavement Condition Index (PCI) conditions, and PCI Report.
 - c. Updated Maintenance & Rehabilitation (M&R) History, Unit Cost, & Decision Tree. Review M&R strategies with City staff, including the recommendation and selection of appropriate treatments made by the City, such as cape seals or overlays, review of new/sustainable treatments or materials, and the determination of treatment unit costs.
 - i. Assist the City in developing and defining the M&R decision tree and alternatives for the pavement management update. Provide the City with solutions that are practical and workable. Upon defining the M&R alternatives, determine a treatment unit cost for each alternative. Enter these alternatives and costs into the PMS database for budgetary analyses.
 - ii. Review any recent bid tabs, together with those from neighboring cities as appropriate. Ensure unit prices are the fully-loaded rates, and include contractors' prices, design costs, and inspecting and testing costs.
 - iii. Populate the PMS database with recent M&R historical data, including all M&R activities. This shall include overlays, reconstructions and any surface seals that have occurred since 2025.
 - iv. Submit electronic M&R history report, updated decision tree, and updated unit cost for each M&R alternative.
 - d. Budget Scenario Analysis. Perform a Budget Needs analysis using an analysis period to be determined by the City. Identify the M&R requirements for each road section and determine the total maintenance and rehabilitation requirements over the entire analysis period in the Needs Analysis. Identify

road sections that need treatment and apply the M&R decision trees to each section in the Needs Analysis and sum the costs for the entire period. Run up to five (5) budget scenarios against the test results to determine the impacts budget will have on the network over the next ten (10) years. Budget scenarios include the following examples:

- i. Backlog/budget needs of the network using pavement condition data using data prior to updated PCI data.
- ii. Backlog/budget needs of the network using pavement condition data using updated PCI data.
- iii. Funding required to increase current PCI by one point each year.
- iv. Funding required to reach PCI of 70 in the next 10 years.

e. Focused Three Year Work Plan for CIP

i. Field Investigation.

- a. Verify proposed treatment and project limits through field review.
- b. Assess base repair locations and provide percentage estimates.
- c. Evaluate proposed improvements for ADA compliance and ramp upgrade requirements. Provide cost estimates.

ii. City Coordination.

- a. Conduct field meeting with City staff to establish rehabilitation priorities and construction standards.
- b. Develop design plans incorporating City feedback and local construction practices.
- c. Optimize geographic locations for project plan development and cost efficiency.

iii. Comprehensive Work Plan.

- a. Develop a three year implementation strategy with annual project listings.
- b. Optimize project to include base repair quantities, ADA improvements, utility coordination, and coordination with other City projects.
- c. Provide cost estimation based on current market conditions and construction efficiency.

iv. Advanced Technologies

- a. Evaluate implementation of the most current rehabilitation technologies.
- b. Evaluate alternative treatments for specialized applications such as cul-de-sacs and low traffic areas.
- c. Provide cost-benefit analysis of innovative approaches compared to conventional methods.
- d. Deliverables. Submit electronic copies of the three year focused work plan with vicinity maps for each year, budgetary ADA compliance costs, and updated budget analysis.

f. Final Pavement Management Program Report

i. Prepare and submit comprehensive PMP update report

- a. Provide an executive summary based on current network conditions, critical findings, priority recommendations, budget scenario impacts, funding strategies, and implementation timeline with construction feasibility considerations.

- b. Provide technical analysis of survey methodology, quality control validation, network condition assessment by functional class with trend analysis, performance prediction modeling for five year and ten year horizons, and integration of surface distress, structural capacity, and ride quality data.
- c. Determine practical Implementation Strategies for maintenance and Rehabilitation strategies, unit costs reflecting current construction market conditions, treatment effectiveness analysis with service life projections, and construction coordination recommendations for traffic management.
- d. Prepare budget analysis and prioritization for up to five budget scenarios with detailed funding requirements and network impacts, priority listing, and three year implementation strategy with annual project listings.
- e. Present technical presentation to City staff covering methodology, database management, and implementation strategies and a non-technical presentation to City Council focusing on budget impacts, service levels, and community benefits.
- ii. Deliverables:
 - a. Submit electronic copies of one Draft and one Final PMP Report including Executive Summary.
 - b. Submit and present technical and non-technical presentations.

2. TASK 14 – UPDATE SECTION LIMITS AND AREA

- a. Review each of the existing pavement management sections and update to match the City's existing M&R practice and pavement management section to account for geometry, construction history, and other pavement elements.
- b. Update the pavement area for each pavement management section for the entire City's Street network by measuring from pavement edge to edge and account for width changes, medians, cul-de-sacs, turn lanes, gutters, bus pads, and necessary adjustments, as determined by the City Engineer.
- c. Deliverables. Submit updated section segmentation for the entire network, including accurate pavement areas for all sections and a comparison analysis documenting all section updates made.

EXHIBIT "B-1"

TERM AND TIME OF COMPLETION

TERM: The term of the Agreement shall be extended to June 30, 2029 ("Term"), unless otherwise terminated as herein provided. The Term may be renewed for a subsequent one-year term subject to the same terms and conditions contained herein, at the sole discretion of the City, provided the City's Public Works Director submits written notice of renewal to the Consultant at least fifteen (15) days prior to the expiration of the then-current term.

EXHIBIT "C-3"

COMPENSATION

Provided Consultant is not in default under the Agreement, Consultant shall be compensated as provided below.

A. **AMOUNT.** Consultant shall be paid in accordance with the following hourly rate schedule.

Staff	Hourly Rate For Tasks 1 - 7	Hourly Rate For Tasks 8 - 16
Principal & QA/QC Manager	\$240	\$275
Project Manager	\$150	-
Senior Engineer / II	\$190	\$225
Project Engineer I	\$175	\$180
Project Engineer II	-	\$200
Staff Engineer I	\$155	\$160
Staff Engineer II	-	\$170
Senior Technician	\$120	\$130
Technician	\$100	\$110
Project Administrator/Technical Editor/Clerical	\$100	\$110

However, in no event shall the Consultant's total compensation under the Agreement, including any of its amendments exceed \$1,155,035, as set forth below:

TASK DESCRIPTION – FY2023-2025 PMP Update, FY2022 & FY 2023 Design (Tasks 1-7)	TOTAL COST
1. Project Management & Meetings	
A. Project Management, Kick-off Meeting and Progress Meetings	\$6,500.00
Sub-Total	\$6,500.00
2. Pavement Management Program Update	
A. Update City's StreetSaver Software License (for 3-years)	\$12,395.00
B. Pavement Condition Surveys (Streets & Alleys)	\$35,590.00
C. Updated M&R History, Unit Cost, & Decision Tree	\$3,450.00
D. Budgetary Analysis & Report	\$9,925.00
E. Develop Work Zones	\$8,240.00
Sub-Total	\$69,600.00
3. Focused Work Plan for FY2023-25 with Pavement Rehabilitation Design	
A. Field Review and Verify 2023-25 Street List	\$9,770.00
B. Pavement Coring	\$47,250.00
C. Pavement Design Recommendations	\$21,960.00

D. Base Repair Marking	\$28,920.00
Sub-Total	\$107,900.00
TASK DESCRIPTION	TOTAL COST
4. Right-of-Way Asset Inventory	
A. Asset Data Collection	\$6,505.00
B. Sign Inspection (FHWA MUTCD Retroreflectivity) Visual Nighttime Method	\$12,238.00
C. ADA Ramp Inventory per FHWA - x,y, location, type	\$5,557.00
D. Asset Inventory Report	\$3,100.00
Sub-Total	\$27,400.00
5. Council Presentation, Technical Workshop, & Technical Support	
A. Presentation to City Staff & Council	\$4,860.00
B. Technical Workshop	\$6,650.00
C. Technical Support	\$11,090.00
Sub-Total	\$22,600.00
6. TASK 6 – Design Services for Projects (FY 2022 & FY 2023)	
A. Project Management & Meetings	\$13,060.00
B.1. Pavement Design - FY2022	\$55,840.00
B.2. Pavement Design - FY 2023	\$53,845.00
C. Utility Coordination	\$19,670.00
D.1. Plans, Specifications, and Estimates (PS&E) - FY 2022	\$142,355.00
D.2. Plans, Specifications, and Estimates (PS&E) - FY 2023	\$107,510.00
E.1. Bidding and Construction Support - FY 2022	\$15,810.00
E.2. Bidding and Construction Support - FY 2023	\$17,770.00
Sub-Total	\$425,860.00
7. TASK 7 – Additional Intersection Design and Regrading - FY 2023	
A. Basemap Preparation	\$48,100.00
B. 60% Draft P&E	\$32,960.00
C. 90% Draft PS&E	\$41,690.00
D. 100% Final PS&E	\$20,110.00
Sub-Total	\$142,860.00
Tasks 1-7 Sub-Total	\$802,720.00
TASK DESCRIPTION - FY 2024 RESIDENTIAL STREETS (Tasks 8-12)	
8. Project Management & Meetings	
A. Project Management and Meetings	\$10,490.00
Sub-Total	\$10,490.00

9. Pavement Design	
A. Condition Surveys and Base Repair Markings	\$5,860.00
B. Coring and Laboratory Testing	\$25,030.00
C. Draft Pavement Design Report	\$3,125.00
D. Final Pavement Design Report	\$2,115.00
Sub-Total	\$36,130.00
10. Utility Coordination	
A. Utility "A" Letters	\$6,030.00
B. Utility "B" Letters	\$4,480.00
Sub-Total	\$10,510.00
11. Plans, Specifications & Estimates	
A. Roadway Improvements	
A.1 Design Data Gathering	\$7,180.00
A.2 60% Draft PS&E	\$60,800.00
A.3 90% Draft PS&E	\$26,320.00
A.4 100% Final PS&E	\$15,085.00
B. Curb Ramp Details (Up to 81)	
B.1 Design Data Gathering	\$7,570.00
B.2 60% Draft	\$19,995.00
B.3 90% Draft	\$10,875.00
B.4 Final Curb Ramp Details	\$5,410.00
B.5 ADA Exception Memos (Up to 20)	\$3,360.00
Sub-Total	\$156,595.00
12. Bidding and Construction Support	
A. Design Services During Bidding	\$2,730.00
B. Design Services During Construction	\$9,020.00
Sub-Total	\$11,750.00
Tasks 8 - 12 FY 2024 Design Sub-Total	\$225,475.00
TASK DESCRIPTION - 2026-2028 PMP UPDATE (Tasks 13-14)	
13. 2026-2028 Pavement Management Program (PMP) Development and Report	
A. Project Management, Progress Meetings, and Update PMP Software License	\$16,070.00
B. Pavement Condition Surveys (Streets & Alleys)	\$51,145.00
C. Updated M&R History, Unit Cost, & Decision Tree	\$3,195.00
D. Budget Scenario Analysis	\$8,825.00

E. Focused 3-Year Work Plan for CIP	\$13,760.00
F. Final Pavement Management Program Report	\$7,395.00
Sub-Total	\$100,390.00
14. Update Section Limits and Area	
A. Update Section Limits and Area	\$26,450.00
Sub-Total	\$26,450.00
Tasks 13 - 14 2026-2028 PMP Update Sub-Total	\$126,840.00
TOTAL	\$1,155,035.00

B. **METHOD OF PAYMENT.** Consultant shall submit monthly invoices to the City for approval and payment. Invoices shall describe services performed, dates of service, hourly rate, number of hours worked, title of staff person, fee for task, subcontractor cost (if applicable), and total amount. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Consultant may be required to provide back-up material upon request.

C.

D. **SCHEDULE FOR PAYMENT.** Invoices shall be submitted in arrears based on the time spent during the previous month. City agrees to pay Consultant within thirty (30) days of receipt of monthly invoices; provided, however, that services are completed to the City's reasonable satisfaction and payments by City do not exceed the proportion of the phase or task completed described in Section A of this Exhibit "C".

E. **NOTICE.** Written notices to City and Consultant shall be given by email, registered or certified mail, postage prepaid, and addressed to or personally served on the following parties.

Consultant: Nichols Consulting Engineers, CHTD.
2300 E. Katella Ave., Suite 125
Anaheim, CA 92806
Attention: Vivek Jha
Email: VJha@ncenet.com

City: City of Redondo Beach
Public Works Department, Engineering Division
415 Diamond Street
Redondo Beach, CA 90277
Attention: Lauren Sablan
Email: Lauren.Sablan@redondo.org

All notices, including notices of address changes, provided under this Agreement are deemed received as follows: (1) on the second business day after emailing, provided that no "bounce-back" or similar message indicating non-delivery is received; (2) on the third day after mailing if sent by registered or certified mail; or (3) upon personal

delivery. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party in accordance with this section.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack[®] FOR PROFESSIONALS BLANKET ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM - SECTION II – LIABILITY

1. C. WHO IS AN INSURED is amended to include as an additional insured any person or organization that you agree in a contract or agreement requiring insurance to include as an additional insured on this policy, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by you or those acting on your behalf:

- a. In the performance of your ongoing operations;
- b. In connection with premises owned by or rented to you; or
- c. In connection with "your work" and included within the "product-completed operations hazard".

2. The insurance provided to the additional insured by this endorsement is limited as follows:

- a. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this policy.
- b. This insurance does not apply to the rendering of or failure to render any "professional services".
- c. This endorsement does not increase any of the limits of insurance stated in **D. Liability And Medical Expenses Limits of Insurance**.

3. The following is added to **SECTION III H.2. Other Insurance – COMMON POLICY CONDITIONS (BUT APPLICABLE ONLY TO SECTION II – LIABILITY)**

However, if you specifically agree in a contract or agreement that the insurance provided to an

additional insured under this policy must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with that other insurance, provided that:

- a. The "bodily injury" or "property damage" for which coverage is sought occurs after you have entered into that contract or agreement; or
- b. The "personal and advertising injury" for which coverage is sought arises out of an offense committed after you have entered into that contract or agreement.

4. The following is added to **SECTION III K. 2. Transfer of Rights of Recovery Against Others to Us – COMMON POLICY CONDITIONS (BUT APPLICABLE ONLY TO SECTION II – LIABILITY)**

We waive any rights of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal and advertising injury" arising out of "your work" performed by you, or on your behalf, under a contract or agreement with that person or organization. We waive these rights only where you have agreed to do so as part of a contract or agreement with such person or organization entered into by you before the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® BUSINESS AUTO ENHANCEMENT

SCHEDULE OF COVERAGES ADDRESSED BY THIS ENDORSEMENT

- A. Broad Form Named Insured**
- B. Employees As Insureds**
- C. Blanket Additional Insured**
- D. Blanket Waiver Of Subrogation**
- E. Employee Hired Autos**
- F. Fellow Employee Coverage**
- G. Auto Loan Lease Gap Coverage**
- H. Glass Repair – Waiver Of Deductible**
- I. Personal Effects Coverage**
- J. Hired Auto Physical Damage Coverage**
- K. Hired Auto Physical Damage – Loss Of Use**
- L. Hired Car – Worldwide Coverage**
- M. Temporary Transportation Expenses**
- N. Amended Bodily Injury Definition – Mental Anguish**
- O. Airbag Coverage**
- P. Amended Insured Contract Definition – Railroad Easement**
- Q. Coverage Extensions – Audio, Visual And Data Electronic Equipment Not Designed Solely For The Production Of Sound**
- R. Notice Of And Knowledge Of Occurrence**
- S. Unintentional Errors Or Omissions**
- T. Towing Coverage**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

A. Broad Form Named Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph **A.1. Who Is An Insured** Provision:

Any business entity newly acquired or formed by you during the policy period, provided you own fifty percent (50%) or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of one hundred eighty (180) days following the acquisition or formation of the business entity.

This provision does not apply to any person or organization for which coverage is excluded by endorsement.

B. Employees As Insureds

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph **A.1. Who Is An Insured** Provision:

Any “employee” of yours is an “insured” while using a covered “auto” you don’t own, hire or borrow in your business or your personal affairs.

C. Blanket Additional Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph **A.1. Who Is An Insured** Provision:

Any person or organization that you are required to include as an additional insured on this coverage form in a contract or agreement that is executed by you before the “bodily injury” or “property damage” occurs is an “insured” for liability coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an “insured” under the Who Is An Insured provision contained in **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

The insurance provided to the additional insured will be on a primary and non-contributory basis to the additional insured’s own business auto coverage if you are required to do so in a contract or agreement that is executed by you before the “bodily injury” or “property damage” occurs.

D. Blanket Waiver Of Subrogation

The following is added to the **SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against any person or organization to the extent required of you by a contract executed prior to any “accident” or “loss”, provided that the “accident” or “loss” arises out

of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

E. Employee Hired Autos

1. The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, Paragraph **A.1. Who Is An Insured** Provision:

An “employee” of yours is an “insured” while operating an “auto” hired or rented under a contract or agreement in that “employee’s” name, with your permission, while performing duties related to the conduct of your business.

2. Changes In General Conditions:

Paragraph **5.b.** of the **Other Insurance** Condition in the **BUSINESS AUTO CONDITIONS** is deleted and replaced with the following:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered “autos” you own:

(1) Any covered “auto” you lease, hire, rent or borrow; and

(2) Any covered “auto” hired or rented by your “employee” under a contract in that individual “employee’s” name, with your permission, while performing duties related to the conduct of your business. However, any “auto” that is leased, hired, rented or borrowed with a driver is not a covered “auto”.

F. Fellow Employee Coverage

SECTION II – COVERED AUTOS LIABILITY COVERAGE, **Exclusion B.5.** does not apply if you have workers compensation insurance in-force covering all of your employees.

G. Auto Loan Lease Gap Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance, is amended by the addition of the following:

In the event of a total “loss” to a covered “auto” shown in the Schedule of Declarations, we will pay any unpaid amount due on the lease or loan for a covered “auto”, less:

1. The amount paid under the **PHYSICAL DAMAGE COVERAGE** section of the policy; and

2. Any:

a. Overdue lease/loan payments at the time of the “loss”;

- b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage.
- c. Security deposits not returned by the lessor;
- d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
- e. Carry-over balances from previous loans or leases.

H. Glass Repair – Waiver Of Deductible

SECTION III – PHYSICAL DAMAGE COVERAGE,

D. Deductible is amended by adding the following:

No deductible for a covered “auto” will apply to glass damage if the glass is repaired rather than replaced.

I. Personal Effects Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions:**

c. Personal Effects Coverage

In the event of a total theft loss of your covered “auto” we will pay up to \$400 for “loss” to wearing apparel and other personal effects which are:

- (1) Owned by an “insured”; and
- (2) In or on your covered “auto”;

No deductible applies to Personal Effects Coverage.

J. Hired Auto Physical Damage Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions:**

d. Hired Auto Physical Damage Coverage

If hired “autos” are covered “autos” for Liability Coverage and this policy also provides Physical Damage Coverage for an owned “auto”, then the Physical Damage Coverage is extended to “autos” that you hire, rent or borrow subject to the following:

- (1) The most we will pay for “loss” in any one “accident” to a hired, rented or borrowed “auto” is the lesser of:

- (a) \$60,000
- (b) The actual cash value of the damaged or stolen property as of the time of the “loss”; or
- (c) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- (2) An adjustment for depreciation and physical condition will be made in the event of a total “loss”.
- (3) If a repair or replacement results in better than like kind or quality, we will not pay for the betterment.
- (4) A deductible equal to the highest Physical Damage deductible applicable to any owned auto will apply.
- (5) This Coverage Extension will not apply to:

- (a) Any “auto” that is hired, rented or borrowed with a driver; or
- (b) Any “auto” that is hired, rented or borrowed from your “employee”.

K. Hired Auto Physical Damage – Loss Of Use

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions:**

- e. We will pay sums which you legally must pay to the lessor of a covered “auto” which you have leased without a driver for thirty (30) days or less for the lessor’s loss of use of the covered “auto”, provided:

- (1) This insurance provides comprehensive, specified causes of loss or collision covered on the covered “auto”;
- (2) The loss of use results from the covered “auto” being damaged in an “accident” while you are leasing it.

We will pay up to a maximum limit of \$1,500 for this covered extension.

L. Hired Car – Worldwide Coverage

The following is added to **SECTION II – COVERED AUTOS LIABILITY COVERAGE, A.2. Coverage Extensions:**

f. Hired Car – Worldwide Coverage

- (1) We will pay all sums an “insured” legally must pay as damages because of “bodily injury” or “property damage” to which this insurance applies, caused by an “accident” which occurs outside of the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada resulting from the maintenance, or use of any covered “auto” of the private passenger type you lease, hire, rent or borrow without a driver for thirty (30) days or less.
- (2) With respect to any claim made or “suit” instituted outside the United States of America, the territories and possessions of the United States of America, Puerto Rico, and Canada:

- (a) You shall undertake the investigation, settlement and defense of such claims and “suits” and keep us advised of all proceedings and actions.
- (b) You will not make any settlement without our consent.
- (c) We will reimburse you:
 - (i) For the amount of damages because of liability imposed upon you by law on account of “bodily injury” or “property damage” to which this insurance applies, and
 - (ii) For all reasonable expenses incurred with our consent in connection with the investigation, settlement or defense of such claims or “suits”. Reimbursement for expenses will be part of the Limit of Insurance for liability coverage shown in the Business Auto Coverage Declarations, and not in addition to such limits.
- (3) The limit of Insurance for Liability Coverage shown in the Business Auto Coverage Declarations is the most we will reimburse you for the sum of all damages imposed on you, as set forth in paragraph 2.c. above, and all expenses incurred by you arising out of any single “accident” or “loss”.
- (4) You must maintain the greater of the following primary auto liability insurance limits:
 - (a) Compulsory admitted insurance with limits required to be in force to satisfy the legal requirements of the jurisdiction where the accident occurs; or
 - (b) Insurance limits required by law and issued by a government entity or by an insurer licensed or permitted by law to do business in the jurisdiction where the “accident” occurs; or
 - (c) Auto liability insurance limits of at least \$300,000 combined single limit or \$100,000 per person/\$300,000 per accident Bodily Injury, \$100,000 Property Damage.

If you fail to comply with the above, this insurance is not invalidated. However, in the event of a “loss”, we will pay only to the extent that we would have been liable had you so complied.
- (5) The insurance provided by this coverage extension is excess over any other collectible insurance available to you whether on a primary, excess contingent or any other basis.

M. Temporary Transportation Expenses

SECTION III – PHYSICAL DAMAGE COVERAGE, A.4. Coverage Extensions, subparagraph **a. Transportation Expenses** is deleted and replaced by the following:

a. Transportation Expenses

- (1) We will pay up to a maximum of \$1,500 for temporary transportation expense incurred by you because of Physical Damage to a covered “auto”.
- (2) We will pay only for those covered “autos” for which you carry Comprehensive, Collision or Specified Case of Loss Coverage.
- (3) We will pay only for those expenses incurred by you during the period of time that begins twenty-four (24) hours after the covered “loss” and ends at the time when the covered “auto” can be reasonably repaired or replaced.
- (4) This coverage does not apply while there are spare or reserve “autos” available to you for your operations.

N. Amended Bodily Injury Definition – Mental Anguish

The following is added to **SECTION V – DEFINITIONS, Definition C.**:

“Bodily injury” also includes mental anguish, but only when the mental anguish arises from other bodily injury, sickness or disease.

O. Airbag Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE B. Exclusions 3.a.**:

However, this exclusion will not apply to accidental discharge of an airbag due to mechanical or electrical breakdown.

P. Amended Insured Contract Definition – Railroad Easement

SECTION V – DEFINITIONS paragraph H. “Insured contact” is modified as follows:

- 1. Paragraph H.3. is replaced by the following:
 - 3. Any easement or license agreement.
- 2. Paragraph H.6.a. is deleted.

Q. Coverage Extensions – Audio, Visual And Data Electronic Equipment Not Designed Solely For The Production Of Sound

SECTION III – PHYSICAL DAMAGE COVERAGE B. Exclusions, exception paragraph **a.** to exclusion **4.c.** and **4.d.** is deleted and replaced with the following:

- a. Equipment and accessories used with such equipment, except for tapes, records, discs or other electronic media device, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or is removable from the housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "autos" electrical system, in or upon the covered "autos"; or

R. Notice Of And Knowledge Of Occurrence

SECTION IV – BUSINESS AUTO CONDITIONS, A.2. Duties In The Event Of Accident, Claim Suit Or Loss, subparagraph a. is deleted and replaced with the following:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss" including:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured person and witnesses.

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (1) You, if you are an individual;

- (2) A partner if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

S. Unintentional Errors Or Omissions

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions; 2. Concealment Misrepresentation Or Fraud is amended by adding the following:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

T. Towing Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, A.2. Towing, is deleted and replaced by the following:

- 2. We will pay up to \$750 for towing and labor costs incurred each time a covered "auto" is disabled due to a covered cause of loss. However:
 - a. All labor must be performed at the place of disablement; and
 - b. If the covered auto is a private passenger type no deductible applies; and
 - c. If the covered auto is not of the private passenger type our obligation to pay will be reduced by a \$250 deductible per disablement.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT—CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 0 % of the California workers' compensation premium otherwise due on such remuneration.

Schedule**Person or Organization**

All persons or organizations that are party to a contract that requires you to obtain this agreement, provided you executed the contract before the loss.

Job Description

Jobs performed for any person or organization that you have agreed with in a written contract to provide this agreement.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 5/17/2025
Insured
Nichols Consulting Engineers

Policy No. PSW0001955
Insurance Company
RLI Insurance Company

Endorsement No.

Countersigned By _____