CITY OF REDONDO BEACH
CITY COUNCIL AGENDA
Tuesday, October 21, 2025

415 DIAMOND STREET, REDONDO BEACH

CITY COUNCIL CHAMBER

THE CITY COUNCIL HAS RESUMED PUBLIC MEETINGS IN THE COUNCIL CHAMBER. MEMBERS OF THE PUBLIC MAY PARTICIPATE IN-PERSON, BY ZOOM, eCOMMENT OR EMAIL.

4:30 P.M.- CLOSED SESSION- ADJOURNED REGULAR MEETING
6:00 P.M.- OPEN SESSION- REGULAR MEETING

City Council meetings are broadcast live through Spectrum Cable, Channel 8, and Frontier Communications, Channel 41 and/or rebroadcast on Wednesday at 3 p.m. and Saturday at 3 p.m. following the date of the meeting. Live streams and indexed archives of meetings are available via internet. Visit the City's official website at www.Redondo.org/rbtv.

TO WATCH MEETING LIVE ON THE CITY'S WEBSITE:
https://redondo.legistar.com/Calendar.aspx
*Click "In Progress" hyperlink under Video section of meeting

TO WATCH MEETING LIVE ON YOUTUBE:
https://www.youtube.com/c/CityofRedondoBeachIT

TO JOIN THE MEETING VIA ZOOM (FOR PUBLIC INTERESTED IN SPEAKING. OTHERWISE, PLEASE SEE ABOVE TO WATCH/LISTEN TO MEETING):
Register in advance for this meeting:
https://www.zoomgov.com/webinar/register/WN_EUCfpV6eQya3PYFTvssxfw
After registering, you will receive a confirmation email containing information about joining the meeting.
If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON THE WEBSITE AGENDA PAGE:
https://redondo.granicusideas.com/meetings
1) Public comments can be entered before and during the meeting.
2) Select a SPECIFIC AGENDA ITEM to enter your comment;
3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.
4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION, EMAILS MUST BE RECEIVED BEFORE 3:00 P.M. THE DAY OF THE MEETING (EMAILS WILL NOT BE READ OUT LOUD): Written materials pertaining to matters listed on the posted agenda received after the agenda has been published will be added as supplemental materials under the relevant agenda item. Public comments may be submitted by email to cityclerk@redondo.org. Emails must be received before 3:00 p.m. on the date of the meeting to ensure Council and staff have the ability to review materials prior to the meeting.

4:30 P.M. - CLOSED SESSION - ADJOURNED REGULAR MEETING

A. CALL MEETING TO ORDER

B. ROLL CALL

C. SALUTE TO FLAG AND INVOCATION

D. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

E. PUBLIC COMMUNICATIONS ON CLOSED SESSION ITEMS AND NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on Closed Session Items or any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Mayor and Council. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

F. RECESS TO CLOSED SESSION

F.1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director
Larry Kosmont, Kosmont Companies

PROPERTY:
123 International Boardwalk, Redondo Beach, CA 90277
(a portion of APN: 7505-002-908)

NEGOTIATING PARTIES:
Various Tenants

UNDER NEGOTIATION:
Lease Status, Price, and Terms

F.2. CONFERENCE WITH LEGAL COUNSEL AND LABOR NEGOTIATOR - The Closed Session is authorized by the Government Code Sec. 54957.6.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Diane Strickfaden, Director of Human Resources

EMPLOYEE ORGANIZATIONS:
Redondo Beach Police Officers' Association, Redondo Beach Police Management Unit; and Redondo Beach Firefighters' Association

F.3. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED POTENTIAL LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(4).

One potential case

F.4. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case: New Commune DTLA, LLC and Leonid Pustilnikov v. City of Redondo Beach and City Council of the City of Redondo Beach
Case Number: B336042

F.5. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case: New Commune DTLA, LLC v. City of Redondo Beach; City Council of the City of Redondo Beach; City of Redondo Beach Department of Community Development, et al.
Case Number: B337897

G. RECONVENE TO OPEN SESSION

H. ROLL CALL

I. ANNOUNCEMENT OF CLOSED SESSION ACTIONS

J. ADJOURN TO REGULAR MEETING

6:00 PM - OPEN SESSION - REGULAR MEETING

A. CALL TO ORDER

B. ROLL CALL

C. SALUTE TO THE FLAG AND INVOCATION

D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS/ AB 1234 TRAVEL EXPENSE REPORTS

D.1. MAYOR'S PROCLAMATION OF OCTOBER 19 TO 25, 2025 AS UNITED AGAINST HATE WEEK

E. APPROVE ORDER OF AGENDA

F. AGENCY RECESS

F.1. SPECIAL MEETING OF THE REDONDO BEACH HOUSING AUTHORITY

CONTACT: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

G. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

G.1. For Blue Folder Documents Approved at the City Council Meeting

H. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Mayor or any City Council Member may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion. The Mayor will call on anyone wishing to address the City Council on any Consent Calendar item on the agenda, which has not been pulled by Council for discussion. Each speaker will be permitted to speak only once and comments will be limited to a total of three minutes.

H.1. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED AND REGULAR MEETING OF OCTOBER 21, 2025

CONTACT: ELEANOR MANZANO, CITY CLERK

H.2. APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA

CONTACT: ELEANOR MANZANO, CITY CLERK

H.3. APPROVE THE FOLLOWING CITY COUNCIL MINUTES:
A. OCTOBER 7, 2025 ADJOURNED AND REGULAR MEETING

CONTACT: ELEANOR MANZANO, CITY CLERK

H.4. PAYROLL DEMANDS
CHECKS 30415-30431 IN THE AMOUNT OF $29,827.14, PD. 10/10/25
DIRECT DEPOSIT 301722-302347 IN THE AMOUNT OF $2,328,971.17, PD. 10/10/25
EFT/ACH $9,065.19, PD. 9/26/25 (PP2520)
EFT/ACH $473,250.57, PD. 10/20/25 (PP2520)

ACCOUNTS PAYABLE DEMANDS
CHECKS 121841-122151 IN THE AMOUNT OF $2,884,676.75

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

H.5. APPROVE CONTRACTS UNDER $35,000:

1. APPROVE A THIRD AMENDMENT TO THE AGREEMENT WITH FHN FINANCIAL MAIN STREET ADVISORS, LLC (ASSIGNED TO MEEDER PUBLIC FUNDS, INC.) FOR NON-DISCRETIONARY INVESTMENT ADVISORY SERVICES TO EXTEND THE TERM TO JANUARY 31, 2029

CONTACT: EUGENE SOLOMON, CITY TREASURER

2. APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH CANNON CORPORATION FOR PROJECT CLOSEOUT SERVICES FOR THE MANHATTAN BEACH BOULEVARD RESURFACING - AVIATION BOULEVARD TO INGLEWOOD AVENUE PROJECT, JOB NO. 41160 FOR AN ADDITIONAL AMOUNT OF $4,840 FOR THE EXISTING TERM THROUGH NOVEMBER 20, 2025

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.6. APPROVE THE PURCHASE OF 479 COBRA HEAD STREET LIGHT FIXTURES FROM LEOTEK ELECTRONICS FOR A COST OF $144,927, FOUR DECORATIVE TUDOR-STYLE LIGHT FIXTURES FROM STRESSCRETE FOR A COST OF $6,610, AND VARIOUS LIGHT FIXTURES FROM WALTERS WHOLESALE ELECTRIC FOR A COST OF $47,483

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.7. APPROVE AMENDMENT NO. 9 TO FUNDING AGREEMENT #MOU.MR312.20 BETWEEN THE CITY OF REDONDO BEACH AND METRO FOR THE AVIATION BOULEVARD AT ARTESIA BOULEVARD INTERSECTION IMPROVEMENTS PROJECT, JOB NO. 40780, TO ADD AN ADDITIONAL $400,000 IN MEASURE R FUNDS IN FISCAL YEAR 2025-26.

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.8. APPROVE THE PURCHASE OF ONE CASE FORKLIFT AND ONE CASE ASPHALT COMPACTOR FROM SONSRAY MACHINERY FOR USE BY THE PUBLIC WORKS DEPARTMENT FOR A TOTAL COST OF $230,477

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.9. APPROVE AN AGREEMENT WITH ACCO ENGINEERED SYSTEMS TO PROVIDE AND INSTALL A 150-TON REPLACEMENT CHILLER UNIT AT THE REDONDO BEACH PERFORMING ARTS CENTER FOR A COST NOT TO EXCEED $365,438, INCLUDING A 10% CONTINGENCY

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.10. APPROVE A FIFTH AMENDMENT TO THE AGREEMENT WITH GEOSYNTEC CONSULTANTS, INC. FOR DEVELOPMENT OF A FEASIBILITY STUDY AND GRANT APPLICATION FOR A JOINT HERONDO WATERSHED GREEN STREET PROJECT TO BE COORDINATED WITH THE CITY OF HERMOSA BEACH, FOR AN AMOUNT NOT TO EXCEED $60,000, AND A NEW TOTAL CONTRACT AMOUNT OF $1,554,027

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.11. APPROVE A TRANSIT SERVICES AGREEMENT WITH THE CITY OF HERMOSA BEACH FOR OPERATION OF BEACH CITIES TRANSIT LINE 109 FOR A ONE-YEAR PERIOD, BEGINNING JULY 1, 2025 THROUGH JUNE 30, 2026, FOR A FEE OF $17,183

ADOPT BY 4/5THS VOTE AND TITLE ONLY RESOLUTION NO. CC-2510-081, A

RESOLUTION OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2025-26 BUDGET MODIFICATION TO ALLOCATE $17,183 FROM THE CITY OF HERMOSA BEACH FOR BEACH CITIES TRANSIT LINE 109 COST SHARING TO TRANSIT FUNDS

CONTACT: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

H.12. APPROVE AND EXECUTE THE ESCROW INSTRUCTIONS LETTER AND THE AGREEMENT CONTAINING COVENANTS, RESTRICTIONS, AND OPTION TO PURCHASE FOR THE SALE OF THE AFFORDABLE HOUSING UNIT AT 2001 ARTESIA BOULEVARD, UNIT #301, REDONDO BEACH, CALIFORNIA 90278

CONTACT: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

H.13. APPROVE AN AGREEMENT WITH WOODS MAINTENANCE SERVICES, INC., DBA GRAFFITI CONTROL SYSTEMS, FOR GRAFFITI REMOVAL SERVICES AND ADDITIONAL AS-NEEDED PUBLIC WORKS MAINTENANCE SERVICES, FOR A TOTAL THREE-YEAR AMOUNT NOT TO EXCEED $487,263 AND THE TERM NOVEMBER 1, 2025 TO OCTOBER 30, 2028, WITH TWO AUTOMATIC ONE-YEAR RENEWALS UNLESS TERMINATED

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

H.14. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2510-079, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, LEASING CERTAIN PROPERTY TO 211 CRYSTAL COVE APTS, LLC, A DELAWARE CORPORATION

APPROVE A GROUND LESSOR ESTOPPEL CERTIFICATE AND AN AMENDMENT TO THE LEASE TO INCLUDE A NON-MERGER CLAUSE FOR 211 CRYSTAL COVE APTS, LLC

CONTACT: GREG KAPOVICH, WATERFRONT AND ECONOMIC DEVELOPMENT DIRECTOR

H.15. APPROVE AN AMENDMENT TO THE AGREEMENT WITH ROBERT HALF, INC. FOR TEMPORARY STAFF AUGMENTATION SERVICES IN THE COMMUNITY DEVELOPMENT DEPARTMENT BUILDING SERVICES DIVISION TO EXTEND THE TERM THROUGH DECEMBER 31, 2026

APPROVE A FIFTH AMENDMENT TO THE AGREEMENT WITH ROBERT HALF, INC. FOR TEMPORARY STAFF AUGMENTATION SERVICES IN THE FINANCIAL SERVICES DEPARTMENT AND THE CITY CLERK'S OFFICE FOR AN ADDITIONAL AMOUNT OF $130,000 AND TO EXTEND THE TERM THROUGH DECEMBER 31, 2026

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR
ELEANOR MANZANO, CITY CLERK
MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

H.16. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2510-080, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASS SPECIFICATIONS TO AMEND THE POSITION OF ASSISTANT CITY CLERK

CONTACT: ELEANOR MANZANO, CITY CLERK

H.17. APPROVE A MASTER SERVICES AGREEMENT WITH CAYLENT INC. FOR A PROOF OF VALUE IMPLEMENTATION OF AMAZON WEB SERVICES BEDROCK DOCUMENT MODERNIZATION PLATFORM FOR THE TERM OCTOBER 22, 2025 THROUGH OCTOBER 21, 2026, AT NO COST TO THE CITY

CONTACT: MIKE COOK, INFORMATION TECHNOLOGY DIRECTOR

H.18. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH CITYGATE ASSOCIATES, LLC TO ANALYZE THE COST TO PROVIDE CONTRACT FIRE AND EMERGENCY SERVICES FOR THE CITY OF HERMOSA BEACH FOR AN AMOUNT NOT TO EXCEED $25,956 AND A TERM EXPIRING ON OCTOBER 20, 2026

CONTACT: PATRICK BUTLER, FIRE CHIEF

H.19. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH CITYGATE ASSOCIATES, LLC TO PREPARE A FEASIBILITY STUDY TO ASSESS THE CITY'S ABILITY TO PROVIDE BASIC LIFE SUPPORT AMBULANCE SERVICES IN-HOUSE FOR AN AMOUNT NOT TO EXCEED $19,909 AND A TERM EXPIRING ON OCTOBER 20, 2026

CONTACT: PATRICK BUTLER, FIRE CHIEF

H.20. ADOPT BY TITLE ONLY ORDINANCE NO. 3306-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10 CHAPTER 2, ARTICLE 5, SECTION 10-2.1707 OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO PARKING REGULATIONS FOR NON-RESIDENTIAL USES LOCATED ON PROPERTIES WITHIN THE ARTESIA AND AVIATION CORRIDORS AREA PLAN. FOR SECOND READING AND ADOPTION.

CONTACT: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

H.21. RECEIVE AND FILE THE MONTHLY UPDATE TO THE STRATEGIC PLAN OBJECTIVES ADOPTED BY THE CITY COUNCIL ON JUNE 10, 2025

CONTACT: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

H.22. APPROVE AN AMENDMENT TO THE AGREEMENT WITH ARTIST ERNESTO MARANJE FOR THE PUBLIC ARTWORK "SEA CHATTER" TO BE LOCATED ON THE N. CATALINA AVENUE AND N. GERTRUDA AVENUE WALLS BORDERING THE PUBLIC WORKS MAINTENANCE FACILITY AT 545 N. GERTRUDA AVENUE TO EXTEND THE TERM FROM DECEMBER 2, 2025 TO JANUARY 30, 2026

CONTACT: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

I. EXCLUDED CONSENT CALENDAR ITEMS

J. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Mayor and Council. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

J.1. For eComments and Emails Received from the Public

K. EX PARTE COMMUNICATIONS

This section is intended to allow all elected officials the opportunity to reveal any disclosure or ex parte communication about the following public hearings

L. PUBLIC HEARINGS

L.1. PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDING TITLES 9 AND 3 OF THE REDONDO BEACH MUNICIPAL CODE, AND ADOPTING TITLE 24, PARTS 1 THROUGH 12, OF THE CALIFORNIA BUILDING STANDARDS CODE OF REGULATIONS

INTRODUCE BY TITLE ONLY ORDIANCE NO. 3307-25, AN ORDINANCE OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING BY REFERENCE THE 2025 EDITIONS OF THE CALIFORNIA BUILDING CODE, CALIFORNIA RESIDENTIAL CODE, CALIFORNIA ELECTRICAL CODE, CALIFORNIA PLUMBING CODE, CALIFORNIA MECHANICAL CODE, CALIFORNIA FIRE CODE, CALIFORNIA EXISTING BUILDING CODE, CALIFORNIA GREEN BUILDING STANDARDS CODE, CALIFORNIA ENERGY CODE, CALIFORNIA ADMINISTRATIVE CODE, CALIFORNIA HISTORICAL BUILDING CODE, THE CALIFORNIA REFERENCE STANDARDS CODE, 2024 INTERNATIONAL PROPERTY MAINTENANCE CODE, 2006 UNIFORM SWIMMING POOL, SPA, AND HOT TUB CODE, 1997 UNIFORM HOUSING CODE, AND 1997 UNIFORM CODE FOR ABATEMENT OF DANGEROUS BUILDINGS TOGETHER WITH CERTAIN DELETIONS, ADDITIONS AND AMENDMENTS TO TITLES 3, 5, AND 9 OF THE REDONDO BEACH MUNICIPAL CODE

PROCEDURES:
a. Open the public hearing and take testimony;
b. Close the public hearing; and
c. Introduce Ordinance No. 3307-25 by title only

CONTACT: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

M. ITEMS CONTINUED FROM PREVIOUS AGENDAS

N. ITEMS FOR DISCUSSION PRIOR TO ACTION

N.1. DISCUSSION AND POSSIBLE ACTION REGARDING UPDATED DRAFT ORDINANCE LANGUAGE PERTAINING TO SMOKE SHOP REGULATIONS

PROVIDE DIRECTION ON THE FINAL ORDINANCE LANGUAGE AND SET NOVEMBER 18, 2025 AS THE DATE FOR A PUBLIC HEARING TO CONSIDER INTRODUCTION AND FIRST READING OF THE PROPOSED ORDINANCE

CONTACT: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

O. CITY MANAGER ITEMS

P. MAYOR AND COUNCIL ITEMS

Q. MAYOR AND COUNCIL REFERRALS TO STAFF

R. RECESS TO CLOSED SESSION

R.1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director
Larry Kosmont, Kosmont Companies

PROPERTY:
123 International Boardwalk, Redondo Beach, CA 90277
(a portion of APN: 7505-002-908)

NEGOTIATING PARTIES:
Various Tenants

UNDER NEGOTIATION:
Lease Status, Price, and Terms

R.2. CONFERENCE WITH LEGAL COUNSEL AND LABOR NEGOTIATOR - The Closed Session is authorized by the Government Code Sec. 54957.6.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Diane Strickfaden, Director of Human Resources

EMPLOYEE ORGANIZATIONS:
Redondo Beach Police Officers' Association, Redondo Beach Police Management Unit; and Redondo Beach Firefighters' Association

R.3. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED POTENTIAL LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(4).

One potential case

R.4. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case: New Commune DTLA, LLC and Leonid Pustilnikov v. City of Redondo Beach and City Council of the City of Redondo Beach
Case Number: B336042

R.5. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case: New Commune DTLA, LLC v. City of Redondo Beach; City Council of the City of Redondo Beach; City of Redondo Beach Department of Community Development, et al.

Case Number: B337897

S. RECONVENE TO OPEN SESSION

T. ADJOURNMENT

The next meeting of the City Council of the City of Redondo Beach will be an Adjourned Regular meeting to be held at 4:30 p.m. (Closed Session) and a Regular meeting to be held at 6:00 p.m. (Open Session) on Tuesday, November 4, 2025, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.

Administrative Report

R.1., **File #** 25-1420 **Meeting Date:** 10/21/2025

TITLE

CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director
Larry Kosmont, Kosmont Companies

PROPERTY:
123 International Boardwalk, Redondo Beach, CA 90277
(a portion of APN: 7505-002-908)

NEGOTIATING PARTIES:
Various Tenants

UNDER NEGOTIATION:
Lease Status, Price, and Terms

Administrative Report

R.2., **File #** 25-1435 **Meeting Date:** 10/21/2025

TITLE

CONFERENCE WITH LEGAL COUNSEL AND LABOR NEGOTIATOR - The Closed Session is authorized by the Government Code Sec. 54957.6.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Diane Strickfaden, Director of Human Resources

EMPLOYEE ORGANIZATIONS:
Redondo Beach Police Officers' Association, Redondo Beach Police Management Unit; and Redondo Beach Firefighters' Association

Administrative Report

R.3., **File #** 25-1471 **Meeting Date:** 10/21/2025

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED POTENTIAL LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(4).

One potential case

Administrative Report

F.4., **File #** 25-1474 **Meeting Date:** 10/21/2025

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case: New Commune DTLA, LLC and Leonid Pustilnikov v. City of Redondo Beach and City Council of the City of Redondo Beach
Case Number: B336042

Administrative Report

F.5., **File #** 25-1475 **Meeting Date:** 10/21/2025

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case: New Commune DTLA, LLC v. City of Redondo Beach; City Council of the City of Redondo Beach; City of Redondo Beach Department of Community Development, et al.
Case Number: B337897

Administrative Report

D.1., **File #** 25-1470 **Meeting Date:** 10/21/2025

TITLE

MAYOR'S PROCLAMATION OF OCTOBER 19 TO 25, 2025 AS UNITED AGAINST HATE WEEK

Administrative Report

F.1., **File #** 25-1342 **Meeting Date:** 10/21/2025

TITLE

SPECIAL MEETING OF THE REDONDO BEACH HOUSING AUTHORITY

AGENDA
SPECIAL MEETING
REDONDO BEACH HOUSING AUTHORITY
TUESDAY, OCTOBER 21, 2025 - 6:00 P.M.
REDONDO BEACH COUNCIL CHAMBERS
415 DIAMOND STREET

CALL MEETING TO ORDER

ROLL CALL

A. APPROVAL OF ORDER OF AGENDA

B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION

B1. BLUE FOLDER ITEMS

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

C. CONSENT CALENDAR #C1 through #C3

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Authority Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.

C1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Housing Authority meeting of October 16, 2025.

C2. APPROVAL OF MOTION TO READ BY TITLE ONLY and waive further reading of all Ordinances and Resolutions listed on the agenda.

C3. APPROVAL OF MINUTES OF THE FOLLOWING MEETING:
- **A. AUGUST 19, 2025**
- **B. SEPTEMBER 2, 2025**

C4. APPROVE AND EXECUTE AFFORDABLE HOUSING DOCUMENTS FOR THE SALE OF 2001 ARTESIA BOULEVARD, UNIT #301, REDONDO BEACH, CALIFORNIA 90278
- **A. AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE**
- **B. SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE**
- **C. ESCROW INSTRUCTIONS**

Contact: ELIZABETH HAUSE, HOUSING ADMINISTRATOR

D. EXCLUDED CONSENT CALENDAR ITEMS

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

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F. EX PARTE COMMUNICATIONS

This section is intended to allow all officials the opportunity to reveal any disclosure or ex parte communication about the following public hearings.

G. PUBLIC HEARINGS

H. OLD BUSINESS

I. NEW BUSINESS

J. MEMBERS ITEMS AND REFERRALS TO STAFF

K. ADJOURNMENT

The next scheduled meeting of the Redondo Beach Housing Authority is a Regular meeting on Tuesday, December 2, 2025 at 6:00 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant of this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

An Agenda Packet is available 24 hours a day at www.redondo.org under the City Clerk and during City Hall hours. Agenda Packets are also available for review in the Office of the City Clerk.

Any writings or documents provided to a majority of the members of the Authority regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 415 Diamond Street during normal business hours.

REDONDO BEACH

Community Services Department
1922 Artesia Boulevard
Redondo Beach, California 90278
www.redondo.org
tel: 310 318-0610
fax: 310 798-8273

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body	Redondo Beach Housing Authority
Posting Type	Agenda – October 21, 2025 Special Meeting
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ City Hall Kiosk ✓ City Clerk's Counter, Door "1"
Meeting Date & Time	October 21, 2025 6:00 p.m.

As Housing Administrator of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

Elizabeth Hause, Housing Administrator

Date: October 16, 2025

SPECIAL MEETING OF THE REDONDO BEACH HOUSING AUTHORITY

CALL MEETING TO ORDER

Chairman Light called a Special Meeting of the Redondo Beach Housing Authority (RBHA) to order at 6:21 p.m. in the City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.

ROLL CALL

RBHA Members Present:	Waller, Castle, Kaluderovic, Obagi (via Zoom), Behrendt, Commissioner Price, Commissioner Newton, Chairman Light
RBHA Members Absent:	None
Officials Present:	Eleanor Manzano, City Clerk Mike Witzansky, City Manager Joy Ford, City Attorney Elizabeth Hause, Community Services Director Melissa Villa, Analyst/Liaison

A. APPROVAL OF ORDER OF AGENDA

B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION - None

B.1. BLUE FOLDER ITEMS - None

C. CONSENT CALENDAR #C1 through #C4

C1. APPROVAL OF AFFIDAVIT OF POSTING for the Special Housing Authority meeting of August 19, 2025.

C2. APPROVAL OF MOTION TO READ BY TITLE ONLY and waive further reading of all Ordinances and Resolutions listed on the agenda.

C3. APPROVAL OF MINUTES OF THE FOLLOWING MEETING:
A. June 17, 2025

C4. APPROVAL TO SUBMIT THE SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP) TO THE DEPARTMENT OF HOUSING AND URBAN

DEVELOPMENT (HUD)

Contact: ELIZABETH HAUSE, HOUSING ADMINISTRATOR

Motion by Member Waller, seconded by Member Kaluderovic, to approve the Consent Calendar in its entirety.

Chair Light invited public comment.

City Clerk Manzano reported no eComments and no one online.

ROLL CALL:

AYES: Waller, Castle, Kaluderovic, Obagi (via Zoom), Behrendt
NOES: None
ABSENT: None

Motion carried by roll call vote, 5-0.

D. EXCLUDED CONSENT CALENDAR ITEMS - None

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Chair Light invited public comment.

City Clerk Manzano reported no eComments and no one online.

F. EX PARTE COMMUNICATIONS - None

G. PUBLIC HEARINGS - None

H. OLD BUSINESS - None

I. NEW BUSINESS - None

J. MEMBERS ITEMS AND REFERRALS TO STAFF - None

K. ADJOURNMENT – 6:24 P.M.

Motion by Member Waller, seconded by Member Castle, to adjourn the Special Meeting of the Housing Authority at 6:24 p.m.

ROLL CALL:

AYES: Waller, Castle, Kaluderovic, Obagi (via Zoom), Behrendt
NOES: None
ABSENT: None

Motion carried by roll call vote, 5-0.

The next scheduled meeting of the Redondo Beach Housing Authority is a Regular meeting on Tuesday, September 2, 2025, at 6:00 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

Respectfully submitted,

_____

Eleanor Manzano, CMC
City Clerk

REGULAR MEETING OF THE REDONDO BEACH HOUSING AUTHORITY

CALL MEETING TO ORDER

Chairman Light called a Regular Meeting of the Redondo Beach Housing Authority (RBHA) to order at 6:31 p.m. in the City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.

ROLL CALL

RBHA Members Present:	Waller, Castle, Kaluderovic, Obagi, Behrendt, Commissioner Price, Commissioner Newton, Chairman Light
RBHA Members Absent:	None
Officials Present:	Eleanor Manzano, City Clerk Mike Witzansky, City Manager Joy Ford, City Attorney Elizabeth Hause, Community Services Director Imelda Delgado, Housing Manager Laura Diaz, Records Mgmt. Coordinator/Sr. Deputy City Clerk

A. APPROVAL OF ORDER OF AGENDA

Motion by Member Obagi, seconded by Member Kaluderovic, to approve the order of agenda as written.

Motion carried 5-0 by voice vote.

B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION - None

B.1. BLUE FOLDER ITEMS - None

C. CONSENT CALENDAR #C1 through #C3

C1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Housing Authority meeting of September 2, 2025.

C2. APPROVAL OF MOTION TO READ BY TITLE ONLY and waive further reading of all Ordinances and Resolutions listed on the agenda.

C3. APPROVAL OF AGREEMENT BETWEEN THE HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH AND LEGGINS CASTERLINE & COMPANY LLC FOR AN AMOUNT NOT TO EXCEED $33,540 FOR THE TERM OF AUGUST 21, 2025 THROUGH AUGUST 31, 2026 FOR SERVICES RELATED TO FISCAL RECONCILIATION AND REPORTING TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CONTACT: ELIZABETH HAUSE, HOUSING ADMINISTRATOR

Motion by Member Kaluderovic, seconded by Member Waller, to approve the Consent Calendar.

Chair Light invited public comment.

City Clerk Manzano reported no eComments and no one online.

Motion carried 5-0 by voice vote.

D. EXCLUDED CONSENT CALENDAR ITEMS - None

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Chair Light invited public comment.

City Clerk Manzano reported no eComments and no one online.

F. EX PARTE COMMUNICATIONS - None

G. PUBLIC HEARINGS - None

H. OLD BUSINESS - None

I. NEW BUSINESS – None

I1. RECEIVE AND FILE QUARTERLY STATUS REPORT ON SECTION 8 AND FAIR HOUSING PROGRAMS

CONTACT: ELIZABETH HAUSE, HOUSING ADMINISTRATOR

Community Service Director Hause reported they had a presentation and introduced Imelda Delgado as the new Housing Manager.

Housing Manager Delgado provided a quarterly update for the Housing Authority; provided program overview numbers: 454 households assisted which includes 335 elderly/disabled households, and 20 Project Based Vouchers (PBV) at Moonstone

Apartments; reported an estimated quarterly spending of $2.18 million and spoke of special programs; provided information regarding their waiting list, noted that Redondo Beach residents are their first priority on the list, which was closed in 2015.

Chair Light asked if the list has been checked to make sure it is current since it closed in 2015.

Housing Manager Delgado stated they do an annual purge of the waiting list; explained that letters are sent and if unresponsive they are taken off the list; continued the presentation and reported that the HUD Portfolio Management Specialist projected a funding shortfall; explained their next steps are mainly corrective actions to combat the shortfall expected; provided more details on their corrective measures which included: Administrative plan updates, implementation of HUD shortfall guidelines, contingency planning, and independent financial review; recommendation is to receive and file the quarterly status report on the Section 8 Program.

Community Services Director Hause stated they are already taking steps to make sure the delta in funding versus obligations is minimized if not eliminated; assured Council that everyone currently on a voucher will not be impacted and they don't have to drop anybody off the list.

Member Castle asked if the program has always operated on a shortfall.

Community Services Director Hause stated RB has been fortunate and not operated in a shortfall and this is the first time but noted the amount is minimal compared to the rest of the program.

Member Kaluderovic thanked Community Services Director Hause for taking the time to meet with her; felt it would be a good idea to clear the list and have people re-apply more frequently so they can prioritize employees and residents of RB; mentioned the emergency housing vouchers expire December 2026 and asked what the plan is when that happens.

Housing Manager Delgado spoke of applying for "set-aside funds" which may help, and the renewal funding may also help.

Member Kaluderovic asked if there are any unused VASH vouchers.

Housing Manager Delgado said they do have some, but they are assigned by the VA.

Member Kaluderovic asked for an explanation on billing all incoming portability vouchers, which was on the list.

Housing Manager Delgado explained it is a federal program, and families can transfer (which they call portability) anywhere in the nation and if someone comes to their City they decide whether they will absorb them financially or if they will bill their initial agency; noted because they cannot afford to absorb them, they will need to bill for everybody.

Member Obagi asked what the cause of the deficit was this year.
Housing Manager Delgado explained it is higher expenditures, noted rent increases were apparent in September.

Member Obagi mentioned the President may declare a housing emergency, asked if it would help if the Council wrote a letter to the federal government about the rising costs and the assistance needed.

More discussion followed about the growing expenses, all cities have been impacted, who to write letters to, what the City can do to seek assistance, and the need for the City to react and plan for no assistance and manage expenses accordingly.

Member Obagi spoke more about what they can do to influence getting more resources in RB for housing from the federal government.

Chair Light stated if the Housing Authority supports it, he will draft letters with the help of staff and Councilmember Kaluderovic and contact the City's lobbyists.

Motion by Councilmember Obagi, seconded by Councilmember Castle, to receive and file the Quarterly Status Report on the Section 8 Program and direct the Mayor to write letters and contact the City's lobbyists as he stated.

Member Kaluderovic asked the next time they meet with the Housing Authority if they could get numbers, so they have a better understanding of the impact it makes.

Community Services Director Hause stated they will bring the Administrative Plan Update to them at the next quarterly meeting.

Chair Light invited public comment.

A speaker came up and spoke about her friend on Section 8 and noted she has received several rent increases.

Housing Manager Delgado stated there are state laws that prohibit increases from going beyond CPI plus 5%, thought the current number is no more than 8% is allowed every year.

City Clerk Manzano reported no eComments and no one online.

Motion carried 5-0 by voice vote.

J. MEMBERS ITEMS AND REFERRALS TO STAFF - None

K. ADJOURNMENT – 6:51 P.M.

Motion by Member Waller, seconded by Member Obagi, to adjourn the Regular Meeting of the Housing Authority at 6:51 p.m.

Motion carried 5-0 by voice vote.

The next scheduled meeting of the Redondo Beach Housing Authority is a Regular meeting on Tuesday, December 2, 2025, at 6:00 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

Respectfully submitted,

_____

Eleanor Manzano, CMC
City Clerk

Administrative Report

Authority Action Date: October 21, 2025

To: CHAIRMAN AND MEMBERS OF THE HOUSING AUTHORITY

From: ELIZABETH HAUSE, HOUSING ADMINISTRATOR

Subject: APPROVE AND EXECUTE THE ESCROW INSTRUCTIONS LETTER AND THE AGREEMENT CONTAINING COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE FOR THE SALE OF AFFORDABLE HOUSING UNIT AT 2001 ARTESIA BOULEVARD, UNIT #301, REDONDO BEACH, CALIFORNIA 90278

RECOMMENDATION

Approve and execute the escrow instructions letter and the Agreement Containing Covenants, Restrictions and Option to Purchase for the sale of Affordable Housing unit at 2001 Artesia Boulevard, Unit #301, Redondo Beach, California 90278.

EXECUTIVE SUMMARY

On February 17, 2004, the City Council adopted Senior Housing Ordinance No. 2927-04, amending the zoning ordinance to establish standards for senior citizen housing. On March 2, 2004, the City Council approved the Montecito Senior Housing development, located at 2001 Artesia Boulevard, consisting of 60 residential condominium units. In compliance with Ordinance No. 2927-04, a condition of project approval required the developer to enter into an Affordable Housing Agreement with the City to provide and restrict by deed five (5) units as affordable for low- and moderate-income households for a minimum of fifty-five (55) years from the date of construction, in accordance with applicable state and local laws.

The current owner is requesting to sell one of the moderate-income units (#301) within the Montecito development. Pursuant to State and local requirements, this income-restricted unit must be sold to a qualified moderate-income household. To preserve affordability and ensure continued compliance with the City's inclusionary housing requirements, Housing Authority approval is required for the execution of the Escrow Instructions Letter, the Agreement Containing Covenants, Restrictions, and Option to Purchase, and all related documents necessary for the sale and ongoing regulation of this affordable housing unit. The same materials will be presented to the City Council for concurrent approval during its special meeting scheduled for the same evening.

BACKGROUND

The City Council adopted Ordinance No. 2927-04 on February 17, 2004, amending the zoning ordinance to establish standards for housing for senior citizens. The Ordinance includes an inclusionary housing requirement that ten percent (10%) of the senior housing units be affordable to low- and moderate-income households in proportion to the housing needs identified in the City's Housing Element. These units must remain affordable for a period of not less than fifty-five (55) years from the effective date of the Affordable Housing Agreement, which is February 20, 2008.

Pursuant to State and local requirements, the income-restricted unit at 2001 Artesia Boulevard, Unit #301, may be sold only to qualified moderate-income households. Moderate-income levels are based on a Countywide formula, with limits determined by household size in relation to the County's median income.

The current owner of Unit #301 has requested approval to sell the property and has identified a qualified moderate-income buyer. The attached Agreement is a recorded instrument ensuring the long-term maintenance of affordability restrictions. As part of the transaction, Housing staff will verify the buyer's eligibility and income qualification in accordance with State and local guidelines. The maximum allowable sales price for this unit is $304,400, consistent with affordability standards under State law.

The Affordable Housing Agreement and associated documents for this transaction include:

1. Agreement Containing Covenants, Restrictions, and Option to Purchase –ensuring long-term affordability, providing notice of affordability restrictions to future purchasers and lenders, and reserving the City's purchase rights.
2. Performance Deed of Trust – securing the developer's and purchaser's obligations under the Agreement to ensure continued compliance for the full term of affordability.
3. Escrow Instructions Letter – authorizing the execution and recordation of the necessary affordability documents at the close of escrow.

Approval of these documents will authorize the Chairman to execute the agreements on behalf of the Housing Authority and to take any actions necessary to complete the sale in compliance with the City's affordable housing requirements.

COORDINATION

The City Attorney's office has approved the Affordability Housing Agreement and all necessary and related documents as to form.

FISCAL IMPACT

The Affordable Housing Program activities are processed through the City's Housing Authority office. The Housing Authority has received a $50.00 fee for this transaction.

Submitted by:
Elizabeth Hause, Housing Administrator

Approved for forwarding by:
Mike Witzansky, City Manager

Attachments:

- Agreement Containing Covenants, Restrictions and Option to Purchase (Moderate Income)
- Performance Deed of Trust (Option to Cure and Purchase Agreement)
- Escrow Instructions Letter
- Request for Notice – City Attorney's Office
- Request for Notice – City of Redondo Beach

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford, Esq.

(No Fee per Government Code § 27383)

AGREEMENT CONTAINING
COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE
[MODERATE INCOME]

Owner: Debra Merrill
Residence Address: 2001 Artesia Boulevard, #301, Redondo Beach, California 90278

This agreement, entitled Agreement Containing Covenants, Restrictions and Option to Purchase (the "Agreement") is entered into as of this 21st day of October, 2025 by and among the City of Redondo Beach, a chartered municipal corporation (the "City"), the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") and Debra Merrill (the "Owner").

RECITALS

A. The City and Authority have determined that it is desirable to stimulate the purchase of homes by Moderate Income Senior Households, and that such households should not be forced to pay housing costs in excess of an amount that is affordable.

B. Concurrently with the execution of this Agreement, Owner is purchasing the Residence for a purchase price that is affordable to Owner as the result of the following agreements:

1. Affordable Housing Agreement Imposing Restrictions on Real Property by and between the City and Watt Communities at the Montecito, LLC, a California limited liability company dated October 17, 2006, and recorded May 5, 2008 as Instrument No. 2008-0785404 of the official records of Los Angeles County, California;

2. The Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito – Tract No. 60361 dated May 16, 2007, and recorded May 5, 2008 as Instrument No. 2008-785401 in the official records of Los Angeles County, California; and

3. Related Amendments including but not limited to the Sixth Amendment to the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito – Tract No. 60361 dated February 6, 2012 and recorded February 21, 2012 as instrument No. 2012-0274129, in the official records of Los Angeles County, California.

4. Addendum to Grant Deed Covenants, Restrictions and Option to Purchase (Moderate Income) between the City, the Redevelopment Agency of the City, and Alma D. Harshman, dated February 16, 2010 attached as Exhibit A to Grant Deed (Condominium) by Watt Communities at the Montecito, LLC (Grantor) and Alma D. Harshman (Grantee), recorded on March 8, 2010 as Instrument No. 2010-0310688, in the official records of Los Angeles County, California.

C. In order to preserve the affordability of the Residence for Moderate Income Senior Households, and in return for and in consideration of the opportunity for the seller to sell and the Owner to purchase the Residence under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Section 1 below, has agreed to execute this Agreement.

D. The purpose of this Agreement is to place certain use restrictions on the Residence, establish resale controls with respect to the Residence and reserve to the City and Authority an option to purchase or designate an Eligible Purchaser to purchase the Residence from Owner in order to provide for the continued availability of such Residence to Moderate Income Senior Households.

NOW, THEREFORE, in consideration of the benefits received by the Owner, the City and the Authority, the parties agree as follows:

5. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the corresponding meanings which follow, or are specifically defined in the sections indicated below.

a. "Deficiencies" – Section 5.

b. "Designee" – Section 6.

c. "Eligible Purchaser" shall mean a prospective purchaser of the Residence who meets the then-current requirements established by the City or Authority.

d. "Excess Proceeds" – Section 9.

e. "Moderate Income Affordable Purchase Price" shall mean a purchase price resulting in a monthly housing cost to the buyer which does not exceed to one-twelfth (1/12) of the product of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income for Los Angeles County, adjusted for household size appropriate to the unit, as published annually by the California Department of Housing and Community Development ("HCD"), and measured at the time the purchaser and the seller enter into a purchase and sale agreement for the Residence. For purposes of determining affordable sale price, the term "household size appropriate to the unit" shall mean the number of bedrooms in the unit plus one.

f. "Moderate Income Senior Citizen Household" shall mean a Senior Citizen Household whose income level does not exceed a maximum of one hundred twenty percent (120%) of the area median income for Los Angeles County, as published annually by HCD, adjusted for the purchaser's actual household size, and determined in accordance with California Health & Safety Code Section 50093 published criteria from time to time in effect.

g. "Owner" shall mean the person or persons listed in the first sentence of this Agreement, as well as any and all assignees, transferees or successors-in-interest to the Residence.

h. "Mortgage Financing" – shall mean a purchase money loan of funds to be used by the Eligible Purchaser for the acquisition of the Residence. The maximum allowable mortgage is set at 95% of the Moderate Income Affordable Purchase Price. The Primary Mortgage must be fully amortizing loan with a fixed interest rate. Negatively amortizing loans and variable interest rate loans are not permitted.

i. "Residence" – Section 2.

j. "Restricted Period" shall mean fifty-five (55) years commencing from the date the first Certificate of Occupancy for the Residence is issued.

k. "Sales Price" shall mean the total compensation payable by a purchaser for the Residence.

l. "Senior Citizen Household" shall mean a household where at least one person in residence is fifty-five (55) years of age older and such person intends to reside in the Residence as his/her/their primary residence on a permanent basis. Any other person residing in the Residence shall be a "qualified permanent resident" or a "permitted health care resident" as provided in the Unruh Civil Rights Act, California Civil Code Section 51, et seq., or the Federal Fair Housing Act, 42 USC Section 3607, and all other applicable federal, state and local laws and regulations governing the use and occupancy of the development.

m. "Transfer" shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by gift, devise, or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, or by devise or inheritance to children, shall be a "Excluded Transfer" for purposes of this Agreement; provided, however, that transferees of any Excluded Transfer shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement, including, but not limited to, promptly providing the City and Authority with the "Notice of Excluded Transfer" upon any such Excluded Transfer.

6. DESCRIPTION OF PROPERTY

This Agreement concerns the real property commonly known as 2001 Artesia Boulevard, #301, Redondo Beach, California, 90278, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the "Residence"). The Residence shall also include any and all improvements constructed on the real property whether now or in the future.

7. OWNER CERTIFICATION

Owner certifies the following:

a. The financial and other information provided in order to qualify to purchase the Residence is true and correct; and

b. Owner shall occupy the Residence as Owner's principal place of residence.

8. OWNER-OCCUPANCY; LEASING OF RESIDENCE

a. For the term of this Agreement, Owner shall occupy the Residence as his/her/their primary residence, and the Residence shall be used as the primary residence of Owner and Owner's household and for no other purpose.

b. Except as provided herein, for the term of this Agreement, the Owner shall not lease the Residence. Notwithstanding the foregoing, the Owner may lease the Residence to Moderate Income Senior Citizen Households at a monthly rental rate not to exceed the affordable rent based on the calculation methodology set forth in California Health and Safety Code Section 50053. The Owner shall provide copies of all rental/lease agreements to the City and Authority. Any lease in violation of this restriction shall be void and shall constitute a default by the Owner under this Agreement.

c. The Authority shall have the right to monitor compliance with this Section 4 by requesting that the Owner provide the Authority, not more frequently than annually, the following:

i. A written certification under penalty of perjury that the Residence is occupied by the Owner as his/her/their primary residence, accompanied by supporting documentation reasonably satisfactory to the Authority; or

ii. If the Residence is not owner-occupied, documentation evidencing the fulfillment of the Section 4.b. requirements, including, without limitation, all of the following: a copy of the lease then in effect and the written consent signed by the Authority Executive Director or designee; a written certification under penalty of perjury stating when the Residence was last owner-occupied, accompanied by supporting documentation reasonably satisfactory to the Authority, and stating the amount of monthly rent collected under the lease; and documentation reasonably satisfactory to the Authority that the Owner is making a reasonable effort to sell the Residence to an Eligible Purchaser.

d. In the event of a breach or threatened breach of this Section 4, in addition to any other rights and remedies available to the City and Authority, whether at law or in equity, the City and Authority shall be entitled to institute legal action to enforce performance of this Section 4, to enjoin any actions which are in breach of this Section 4, and to seek to recover any excess rent that may have been paid to Owner.

e. These owner-occupancy restrictions may be modified or terminated only upon the written approval of the City and Authority. Any modification or termination must be in writing and recorded in the Official Records of the Office of the County Recorder of Los Angeles County.

f. Owner shall be considered as occupying the Residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

9. MAINTENANCE OF PROPERTY

Owner agrees it shall maintain the interior and exterior of the Residence and any landscaping on the Residence in good condition and repair and in a manner consistent with the community standards which will uphold the value of the Residence, and in accordance with all applicable City codes. Failure to maintain the Residence in accordance with this Section 5, including, but not limited to, any violations of applicable building, plumbing, electric, fire, housing or other applicable City of Redondo Beach Building Codes, shall be a default by the Owner under this Agreement. In the event the City or Authority, in its sole discretion, determines that the Owner has failed to maintain the Residence, the City or Authority shall notify Owner with regard to any noted code violations and maintenance

deficiencies (collectively, the "Deficiencies"), and Owner shall cure the Deficiencies in a reasonable manner, acceptable to the City or Authority, within sixty (60) days following the date of such notice. Should Owner fail to cure all the Deficiencies prior to the time set forth herein, the City, Authority, or designee, shall have the right, but not the obligation, to enter the Residence, correct any Deficiency, and hold the Owner responsible for the cost thereof. Any cost incurred by the City or Authority to cure any such Deficiency, until paid, shall constitute a lien on the Residence pursuant to Civil Code Section 2881.

10. NOTICE OF INTENDED TRANSFER

In the event Owner intends to Transfer the Residence, Owner shall promptly notify the Authority and City in writing of such intent ("Owner's Notice"). The written notice shall be given in accordance with Section 21 of this Agreement at least sixty (60) days prior to the actual date of any Transfer; provided, however, that in the event of an Excluded Transfer, the written notice shall occur within ninety (90) days after the date of such Excluded Transfer ("Notice of Excluded Transfer").

Following receipt of the Owner's Notice, the City or Authority shall notify Owner of the Resale Price that may be paid for the Residence and may exercise its Option, as defined below, to purchase the Residence or designate an Eligible Purchaser ("Designee") to purchase the Residence, as provided in Section 8, below.

11. DETERMINATION OF RESALE PRICE

The maximum Sales Price that the Owner may receive for any type of Transfer of the Residence ("Resale Price") shall be the Moderate Income Affordable Purchase Price at the time of such Transfer.

12. OPTION

As a material part of the consideration for this Agreement, Owner covenants and agrees for itself, its successors and its assigns and every successor in interest to the Residence, that for the Restricted Period, Owner hereby grants the City an option to purchase the Residence or designate an Eligible Purchaser to purchase the Residence from Owner (the "Option") on the terms and conditions set forth in this Section 8 and in the manner set forth herein.

a. Events Precipitating City's Option to Purchase. The Owner agrees the City's Option may be exercised upon the occurrence of any of the following:

i. An uncured default by Owner under this Agreement, subject to the notice and cure provisions of Section 10;

ii. An uncured default under any promissory note, deed of trust or any other lien, including, without limitation, a judgment lien, recorded against, secured by, or encumbering the Residence; or

iii. Owner's Notice of Intent to Transfer the Residence.

b. Time and Manner of Exercising Option. The Option may be exercised by the City delivering to Owner written notice of such exercise. Upon the City's knowledge of the occurrence of any event listed in subsection a. above, the City shall have sixty (60) days to notify Owner of its decision to exercise its Option. The notification to Owner regarding the Option exercise shall be pursuant to Section 21 of this Agreement. The City shall have the right, in its sole discretion, to assign the Option to the Authority upon written notice to the Owner that the Option has been assigned to the Authority. In the event the Option is assigned to the Authority, the Authority shall be entitled to the rights of the City in relation to the Option as set forth herein and shall be obligated under the terms and the covenants of this Section 8.

c. Payment for Option. Upon the occurrence of an event listed in subsection a. above, and the exercise by the City of its Option, the City shall pay (or in the event City designates an Eligible Purchaser, cause to be paid by such Designee), the Resale Price to Owner at the close of escrow, pursuant to subsection d, below.

d. Escrow. Within thirty (30) days following the exercise of the Option, the parties agree that the City shall open, or cause to be opened, an escrow with a title insurance company or such other escrow agent reasonably acceptable to the City (the "Escrow Agent") and the parties agree to execute escrow instructions with Escrow Agent as may be required by Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. The parties agree to the following escrow terms and conditions:

i. The escrow shall be for a period of ninety (90) days or sooner if mutually agreed by the parties;

ii. The City agrees that it will pay, or cause to be paid by the Designee, the Resale Price upon the close of escrow or as otherwise mutually agreed to by the parties. Notwithstanding the foregoing, should Owner fail to cure all Deficiencies, if any, in accordance with Section 5 prior to the close of escrow, the Owner hereby agrees that the Escrow Agent shall withhold that portion of the Resale Price necessary to pay for curing the Deficiencies, based upon written estimates obtained and submitted to the Escrow Agent by the City. The City and/or Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City and/or Designee, the Escrow Agent shall disburse such funds to the City and/or Designee to pay for said work. Any remaining funds shall be disbursed by the Escrow Agent to Owner;

iii. The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City in the amount of the Resale Price, insuring title to the Residence in the City's (or Designee's, as the case may be) name, subject only to those matters approved by the City or Designee in writing. In the event the City (or Designee, as the case may be) requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A policy or the endorsements shall be paid by the City (or Designee, as the case may be);

iv. In the event the City exercises its Option pursuant to Section 8.a.iii., the Owner and City agree that all costs and fees charged in connection with the closing and escrow shall be borne one-half (1/2) by the City (or Designee, as the case may be) and one-half (1/2) by the Owner. In the event the City exercises its Option pursuant to Section 8.a.i. or Section 8.a.ii., the Owner agrees to pay all costs and fees charged in connection with the closing and escrow;

v. The Owner agrees that it shall deposit in escrow for delivery to the City (or Designee, as the case may be) a grant deed to the City or Designee (in such form as may be reasonably acceptable to the City or Designee in his/her/their sole discretion);

vi. Taxes and assessments shall be prorated at the close of escrow with Owner paying all such taxes and assessments due and payable prior to the close of escrow and City (or Designee, as the case may be) paying all such taxes and assessments due and payable following the close of escrow;

vii. Owner agrees that title shall be conveyed by Owner at the close of escrow to the City (or Designee, as the case may be) free and clear of all mortgages, deeds of trust, liens and encumbrances. Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of Owner, at Owner's sole cost and expense; and

viii. Any other terms or conditions mutually agreed to by the parties.

e. Priority of Option. The Option granted pursuant to this Agreement shall be senior in priority to any lien or encumbrance.

13. RESTRICTED TRANSFER BY OWNER

a. In the event the City does not exercise its Option pursuant to Section 8, above, Owner may Transfer the Residence to an Eligible Purchaser for not more than the Resale Price.

b. In the event the City does not exercise its Option pursuant to Section 8, above, and Owner experiences an extreme hardship, Owner may submit written request to the City or Authority to waive the requirement that the purchaser of the Residence be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price. Within one hundred and twenty (120) days of such written request, the City may, in its sole discretion, approve the Transfer of the Residence to a non-Eligible Purchaser and/or the Transfer of the Residence in excess of the Resale Price. Upon the issuance by the City or Authority of a written waiver of the requirement that the purchaser be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price, subject to the provisions of this Section 9.b. and 9.c., Owner may Transfer the Residence to the non-Eligible Purchaser and/or may Transfer the Residence for an amount in excess of the Resale Price, as applicable. Any such transferee shall execute and record a covenant against the Residence, running to the benefit of the City and Authority, requiring that the transferee will occupy the Residence, subject to limited leasing rights, as provided in Section 4, of this Agreement.

c. In the event the City or Authority waives the requirement that the Sales Price not exceed the Resale Price, the City shall be entitled to receive, and Owner shall pay to the City, an amount equal to 50% of the "Excess Proceeds". "Excess Proceeds" shall mean the Sales Price minus the sum of the following: repayment in full of any mortgage encumbering the Residence, and reimbursement to the Owner in the amount of the sum of the Owner's original down payment, the cost of any Capital Improvements made by the Owner and any payments made by the Owner to reduce to the principal balance of the mortgage prior to the sale.

14. REFINANCING

Owner shall be permitted to refinance the Primary Mortgage provided that the replacement mortgage is a fully amortizing, fixed interest rate loan that does not exceed the sum of the then current principal balance of the existing Primary Mortgage and reasonable and customary closing costs.

15. DEFAULTS AND REMEDIES

Upon a violation of any of the provisions of this Agreement by Owner, the City or Authority shall give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of City or Authority within thirty (30) days

after the date the notice is mailed, or within such further time as City or Authority determines is necessary to correct the violation, City or Authority may declare a default under this Agreement. Upon the declaration of a default or if Owner makes any misrepresentation in connection with receiving any benefits under this Agreement, City or Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Agreement, for an injunction prohibiting a proposed Transfer in violation of this Agreement, for a declaration that a Transfer in violation of the provisions of this Agreement is void or any such relief at law or in equity as may be appropriate. Owner, and/or Owner's purchaser or transferee in those circumstances where a Transfer has occurred in violation of this Agreement, shall hold the City, Authority and their employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City, the Authority or their employees or other agents take in enforcing the provisions of this Agreement.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other party. Rights and remedies hereunder shall be in addition to and shall in no way limit any other rights and remedies provided by law or in equity. No waiver by the City or Authority of any default or breach by the Owner hereunder shall be implied from any omission by the City or Authority to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such wavier shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the City or Authority to or of any act by the Owner requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done pursuant to notice of default, or prejudice the City or Authority in the exercise of any right, power, or remedy hereunder.

16. NOTICE OF DEFAULT AND FORECLOSURE

Owner agrees the City and Authority shall have the right to record against title to the Residence a request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence in the Office of the Recorder of Los Angeles County in substantially the form attached hereto as Exhibit B ("Notice of Sale"). The Owner shall provide to the City and Authority a written copy of any notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence immediately upon receipt by the Owner. The City or Authority may declare a default under this Agreement upon receipt of any notice given to the City and Authority pursuant to Civil Code Section 2924b or pursuant to this Section, and may exercise its remedies as provided in Section 8 and Section 10. In the event of default or foreclosure of such deed of trust or mortgage, the City or Authority shall have the same right as the Owner to cure defaults and redeem the Residence prior to foreclosure sale.

Nothing contained herein shall be construed as creating any obligation of the City or Authority to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

17. NON-LIABILITY OF THE CITY AND AUTHORITY

In no event shall the City or Authority become in any way liable or obligated to Owner or to any successor-in-interest of Owner by reason of the Option, nor shall the City or Authority be in any way obligated or liable to Owner or any successor- in-interest of Owner for any failure to exercise such Option.

18. BINDING ON SUCCESSOR AND ASSIGNS

Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against the Owner, his/her/their heirs, legal representatives, executors, successors-in-interest, assigns and transferees by the City, the Authority and their successors. Without limiting the generality of the foregoing, any party, and its successors and assigns, receiving title to the Residence through a trustee's sale, a judicial foreclosure sale, or deed in lieu of foreclosure of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement.

19. SUPERIORITY OF AGREEMENT

Owner covenants that the Owner has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties.

20. OBLIGATION TO REFRAIN FROM DISCRIMINATION

Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Residence or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Residence nor shall Owner itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Residence. This covenant shall run in perpetuity.

21. FORM OF NONDISCRIMINATION AND NONSEGREGATION CLAUSES

All deeds, leases or contracts relating or pertaining to the Residence shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein leased."

c. In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

22. TERMINATION OF COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE

The covenants, conditions, restrictions, limitations and provisions of this Agreement shall remain in effect with respect to the Residence for the longest feasible time, as determined by the City or Authority, but not less than the Restricted Period, except for the covenants, conditions, restrictions, limitations and provisions contained in Section 15 and 16 which shall run in perpetuity.

23. DEED OF TRUST

Each and every condition, obligation, covenant and agreement contained in this Agreement shall at all times throughout the term be secured by a deed of trust in favor of the City and the Authority ("Deed of Trust"), substantially in the form attached hereto as Exhibit C. Owner agrees to execute and deliver the Deed of Trust (in recordable form) and it shall be recorded against the Residence. The Deed of Trust will be subordinate to any liens securing financing for Owner's purchase of the Residence, but this Agreement shall be senior to any such liens and shall not be extinguished by foreclosure, a deed in lieu of foreclosure or power of sale, or sale.

24. ENFORCEMENT

The City, the Authority, and their successors and assigns are deemed to be the beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City and the Authority shall have the right if any covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it is entitled. No remedy herein conferred upon or reserved by the City and Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City or Authority may deem expedient. In order to entitle the City and Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given. The City and Authority may, in their sole discretion, designate, appoint or contract with any other public agency, for-profit or non-profit organization as a beneficiary of this Agreement.

25. INVALID PROVISIONS

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

26. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

27. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested, as follows:

To the Owner:

Debra Merrill
2001 Artesia Boulevard, #301
Redondo Beach, California 90278

To the City:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford

To the Authority

The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Director of Community Services
Attention: Housing Manager

or such other address that the City, the Authority of Owner may subsequently request in writing.

28. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted to encourage to the extent possible that the Resales Price and any mortgage payments of the Residence remain affordable to Moderate Income Senior Citizen Households.

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By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this deed, and grants to the City and Authority such powers and rights that are set forth in this Agreement.

"OWNER"

Date: OCT. 09, 2025 By: Debra Merrill

Debra Merrill

[remainder of page left intentionally blank]

[signatures continue on the following page]

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this 9 day of October, 2025 before me, Jasmine N. Venegas, Notary Public, personally appeared, Debra Merrill, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

JASMINE N. VENEGAS
COMM.# 2449094
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My Comm. Expires June 4, 2027

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

Accepted and agreed to by the City this 21st day of October, 2025.

CITY OF REDONDO BEACH, a chartered municipal corporation

Date: _____ By: _____
James A. Light
Mayor

APPROVED AS TO FORM:
Joy A. Ford
City Attorney

By: _____
Joy A. Ford

ATTEST:

By: _____
Eleanor Manzano
City Clerk

[Signatures continue on following page]

Accepted and agreed to by the Authority this 21st day of October, 2025.

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a public body, corporate and politic

Date: _____ By: _____
James A. Light
Chairman

APPROVED AS TO FORM:
Joy A. Ford
General Counsel for Authority

By: _____
Joy A. Ford

ATTEST:

By: _____
Eleanor Manzano
Secretary

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

Real property in the City of Redondo Beach, County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

A) AN UNDIVIDED 874/47,349 INTEREST IN AND TO LOT 1 OF TRACT NO. 60361, IN THE CITY OF REDONDO BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1329, PAGE(S) 43 TO 45, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM UNITS 201R TO 216R, INCLUSIVE, 301R TO 316R, INCLUSIVE, AND 401PH AND 416PH, INCLUSIVE, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MAY 5, 2008 AS INSTRUMENT NO. 2008-0785400, OFFICIAL RECORDS.

B) UNIT 301, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING SPACE PURPOSES OVER THOSE AREAS NUMBERED "34PS" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 3

AN EXCLUSIVE EASEMENT FOR BALCONY OR PATIO PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "B" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 4

AN EXCLUSIVE EASEMENT FOR STORAGE CLOSET PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "S" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Assessor's Parcel Number: 4155-030-078

EXHIBIT B
NOTICE OF SALE

[BEHIND THIS PAGE}

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford, Esq.

(No Fee per Government Code § 27383)

PERFORMANCE DEED OF TRUST
(Option to Cure and Purchase Agreement)

THIS PERFORMANCE DEED OF TRUST (this "Deed of Trust") dated as of October 21, 2025 is entered into by Debra Merrill, an unmarried woman ("Trustor") whose address is 2001 Artesia Boulevard, #301, Redondo Beach, California 90278 in favor of First American Title ("Trustee"), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the "City") whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the "Beneficiary").

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor's fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference.

TOGETHER WITH: All rights, title and interest (including any claim or demand in law or equity) which Trustor now has or may hereafter acquire in or to such property; all easements and rights of way appurtenant to such property; all crops growing or to be grown on such property; all water and water rights (whether or not appurtenant to such property) and shares of stock pertaining to such water or water rights, ownership of which affects such property; all minerals, oil, gas, and other hydrocarbon substances and rights thereto in, on, under, or upon such property and all royalties and profits from any such rights or shares of stock. The real property described in Exhibit "A" attached hereto shall be referred to as the "Property".

FOR THE PURPOSE OF SECURING: performance of Trustor's obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the October 21, 2025 Agreement

Containing Covenants, Restrictions and Option to Purchase [Moderate Income] ("Covenant Agreement") executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST, TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Maintenance of the Property. Trustor will:

   a. keep the Property in good condition;

   b. not permit any mechanic's or materialman's lien to arise against the Property;

   c. comply with all laws having a material effect on the Property; and

   d. not commit or permit waste on or to the Property.

2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:

   a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and

   b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.

3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.

4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and

settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.

5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):

   a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and

   b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.

6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.

7. Default. Each of the following shall constitute a **"Default"** under this Deed of Trust:

   a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or

   b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase,

conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily; or

c. Trustor defaults under the terms and conditions of the Covenant Agreement.

8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.

9. Obligation to Inform Beneficiary of Default. Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.

10. Remedies Cumulative. Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.

11. Trustee. The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.

12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.

13. Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.

14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.

15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of

Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.

16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

a. upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);

b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);

c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or

d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: City Manager, Michael Witzansky
Attention: Director of Community Services
Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Manager

TO TRUSTOR:
Debra Merrill
2001 Artesia Boulevard, #301
Redondo Beach, California 90278

TO TRUSTEE:
First American Title
330 North Brand Boulevard, Suite 1150
Glendale, California 91203
Attention: Trust Officer

17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.

18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.

19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.

20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.

21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:

a. post-judgment motions;

b. contempt proceedings;

c. garnishment, levy, and debtor and third party examinations;

d. discovery; and

e. bankruptcy litigation.

22. General Provisions.

a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.

b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.

c. As used herein, the word "Property" shall mean and include the Property and part thereof.

d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.

e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.

f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.

g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

TRUSTOR:

Debra Merrill, an unmarried woman

Debra Merrill

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this 9th day of October, 2025 before me, Jasmine N. Venegas Notary Public, personally appeared, Debra Merrill, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

JASMINE N. VENEGAS
COMM.# 2449094
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My Comm. Expires June 4, 2027

EXHIBIT "A"
LEGAL DESCRIPTION

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A CONDOMINIUM COMPOSED OF:

PARCEL 1:

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EXCEPT THEREFROM UNITS 201R TO 216R, INCLUSIVE, 301R TO 316R, INCLUSIVE, AND 401PH AND 416PH, INCLUSIVE, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MAY 5, 2008 AS INSTRUMENT NO. 2008-0785400, OFFICIAL RECORDS.

B) UNIT 301, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING SPACE PURPOSES OVER THOSE AREAS NUMBERED "34PS" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 3

AN EXCLUSIVE EASEMENT FOR BALCONY OR PATIO PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "B" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 4

AN EXCLUSIVE EASEMENT FOR STORAGE CLOSET PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "S" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Assessor's Parcel Number: 4155-030-078

More To Sea redondo BEACH

Community Services Department
Housing Authority

1922 Artesia Boulevard
Redondo Beach, California 90278
www.redondo.org

tel: 310 318-0635
fax: 310 798-8463

October 21, 2025

Lisa McMullen
Escrow Officer / Manager
Chartwell Escrow
21250 Hawthorne Boulevard, Suite 410
Torrance, California 90503

Re: Escrow No. CWT-LM-871

Dear Ms. McMullen:

These instructions are submitted by the City of Redondo Beach (the "**City**") and the Housing Authority of the City of Redondo Beach (the **"Authority"**) in connection with the following transaction.

Paula Marie Broussard, Trustee of the Alma Darlene Harshman Trust dated January 8, 2020 (the "**Seller**") and Debra Merrill (the "**Buyer**") have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated August 18, 2025 relating to the sale of the residential unit located at 2001 Artesia Blvd., #301, Redondo Beach, California 90278. The "**Unit**" is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the following agreements:

1. The Affordable Housing Agreement Imposing Restrictions on Real Property by and between the City and Watt Communities at the Montecito, LLC, a California limited liability company dated October 17, 2006, and recorded May 5, 2008 as Instrument No. 2008-0785404 of the official records of Los Angeles County, California (the "Affordable Housing Agreement"); and

2. Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito - Tract No. 60361, dated May 16, 2007 and recorded May 5, 2008 as Instrument No. 2008-0785401 in the official records of Los Angeles County, California.

3. Related Amendments including but not limited to the Sixth Amendment to the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito – Tract No. 60361 dated February 6, 2012 and recorded February 21, 2012 as instrument No. 2012-0274129, in the office records of Los Angeles County, California ("the Amendments").

4. Addendum to Grant Deed Covenants, Restrictions and Option to Purchase (Moderate Income) between the City of Redondo Beach, the Redevelopment Agency of the City of Redondo Beach, and Alma D. Harshman, dated February 16, 2010 attached as Exhibit A to Grant Deed (Condominium) by Watt Communities at the Montecito, LLC (Grantor) and Alma D. Harshman (Grantee), recorded on March 8, 2010 as Instrument No. 2010-0310688, in the official records of Los Angeles County, California (the "Addendum").

The Affordable Housing Agreement, Amendments and Addendum place certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations is secured by that certain Performance Deed of Trust (Option to Cure and Purchase Agreement) dated February 16, 2010 and recorded in the official records of Los Angeles County on March 8, 2010 as Instrument No. 2010-0310690. The Seller is the trustor; the City is the beneficiary; and Chicago Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the "**2025 Covenants Agreement**") for recordation against the Unit. The Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the "**2025 Performance Deed of Trust**").

The purpose of this letter is to provide the City's and Authority's instructions relating to the above referenced transaction. Your recordation of the "**Recording Documents**" shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

I. DOCUMENTS

Enclosed herewith are the following documents that will need to be returned to the Authority prior to execution by the City and the Authority.

1. One original of the 2025 Covenants Agreement that has been signed by the Buyer.

2. One original of the 2025 Performance Deed of Trust that has been signed by the Buyer.

3. One original of this escrow instructions letter that has been signed by Lisa McMullen, Escrow Officer/Manager.

The signed documents are to be returned to the following address:

Imelda Delgado, Housing Manager
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

1. The City and the Authority have deposited into escrow one original 2025 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.

2. The Buyer has deposited into escrow one original 2025 Performance Deed of Trust, executed in recordable form by the Buyer.

3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code - City, and one Request for Notice Under Section 2924b Civil Code - Authority in recordable form (the "**Request for Notice**"):

    a. The Request for Notice documents will be delivered to escrow without signatures.

    b. After the first trust deed mortgage loan has been recorded, escrow will fill in the instrument number and recordation date for the first trust deed mortgage loan in both of the Requests for Notice.

    c. The City will pick up the originals from escrow after being notified that the blanks have been filled in.

4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.

5. You have committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

1. With respect to any documents that have not been dated (whether or not such documents are to be recorded), fill in the date of recordation. With respect to any other blanks in the documents, fill in the appropriate information (for example, recording information or dates of other documents). If you have any questions regarding how to fill in any blanks, please contact the undersigned immediately.

2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:

   a. The Substitution of Trustee and Full Reconveyance

   b. The grant deed conveying fee title to the Unit from the Seller to the Buyer.

   c. The 2025 Covenants Agreement.

   d. The 2025 Performance Deed of Trust.

4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) are to be delivered to:

Imelda Delgado, Housing Manager
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

5. These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.

6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City and/or the Authority are entitled to free recording pursuant to Government Code §27383:

   a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.

   b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.

   c. All costs incurred by you with respect to this escrow shall be the sole obligation of the Seller.

Very truly yours,

City of Redondo Beach, a chartered municipal corporation

Housing Authority of the City of Redondo Beach, a public body, corporate and politic

By: _____

James A. Light
Mayor and Chairman

The undersigned acknowledges receipt of the within escrow instructions and agrees to proceed in accordance therewith.

By: _____

Lisa McMullen
Escrow Officer / Manager
Chartwell Escrow

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LEGAL DESCRIPTION

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AN EXCLUSIVE EASEMENT FOR STORAGE CLOSET PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER

"S" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Assessor's Parcel Number: 4155-030-078

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford, Esq.

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE
Under Section 2924b Civil Code

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of _____ and recorded as Instrument No. _____, in the Official Records of Los Angeles County on _____ and describing the following real property, located in Los Angeles County as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Debra Merrill, an unmarried woman as Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title, as Trustee, be mailed to:

City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: City Attorney

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a Chartered Municipal Corporation

Date: _____ By: _____
James A. Light
Mayor and Chairman

APPROVED AS TO FORM:
Joy A. Ford
City Attorney and General Counsel for Authority

By: _____
Joy A. Ford

ATTEST:

By: _____
Eleanor Manzano
City Clerk and Secretary for Authority

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

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WITNESS my hand and official seal.

Signature: _____ (Seal)

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Assessor's Parcel Number: 4155-030-078

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the
City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Manager

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE
Under Section 2924b Civil Code

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executed by Debra Merrill, an unmarried woman as Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title, as Trustee, be mailed to:

The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Manager

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a Public Body Corporate and Politic

Date: _____ By: _____

James A. Light

Mayor and Chairman

APPROVED AS TO FORM:
Joy A. Ford
City Attorney and General Counsel for Authority

By: _____

Joy A. Ford

ATTEST:

By: _____

Eleanor Manzano

City Clerk and Secretary for Authority

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Assessor's Parcel Number: 4155-030-078

EXHIBIT C
PERFORMANCE DEED OF TRUST

[BEHIND THIS PAGE}

Administrative Report

G.1., **File #** 25-1455 **Meeting Date:** 10/21/2025

TITLE

For Blue Folder Documents Approved at the City Council Meeting

Administrative Report

H.1., **File #** 25-1456 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED AND REGULAR MEETING OF OCTOBER 21, 2025

EXECUTIVE SUMMARY

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body	City Council	
Posting Type	Adjourned & Regular Agenda	
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ Adjacent to Council Chambers	
Meeting Date & Time	October 21, 2025	4:30 Closed Session 6:00 p.m. Open Session

As City Clerk of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

Eleanor Manzano, City Clerk

Date: October 16, 2025

Administrative Report

H.2., **File #** 25-1457 **Meeting Date:** 10/21/2025

TITLE

APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA

Administrative Report

H.3., **File #** 25-1458 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE THE FOLLOWING CITY COUNCIL MINUTES:

A. OCTOBER 7, 2025 ADJOURNED AND REGULAR MEETING

EXECUTIVE SUMMARY

Approval of Council Minutes

APPROVED BY:

Eleanor Manzano, City Clerk

Minutes
Redondo Beach City Council
Tuesday, October 7, 2025
Closed Session – Adjourned Regular Meeting 4:30 p.m.
Open Session – Regular Meeting 6:00 p.m.

4:30 PM - CLOSED SESSION – ADJOURNED REGULAR MEETING

A. CALL MEETING TO ORDER

An Adjourned Regular Meeting of the Redondo Beach City Council was called to order at 4:30 p.m. by Mayor Light in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Councilmembers Present:	Waller, Castle, Kaluderovic, Behrendt, Obagi, Mayor Light
Councilmembers Absent:	None
Officials Present:	Mike Witzansky, City Manager Joy Ford, City Attorney Melissa Villa, Analyst/Liaison

C. SALUTE TO THE FLAG AND INVOCATION - None

D. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS - None

E. PUBLIC COMMUNICATIONS ON CLOSED SESSION ITEMS AND NON-AGENDA ITEMS

Analyst Villa reported no eComments and no one on Zoom.

F. RECESS TO CLOSED SESSION – 4:36 P.M.

F.1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case:
Daniel Mendoza-Conner v. City of Redondo Beach, et al.
Case Number: 23TRCV00481

F.2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The

Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case:
Jeffrey Pailet v. City of Redondo Beach, and DOES 1 through 25, inclusive
Case Number: 25STCV22128

F.3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

JAMS Arbitration Case Reference No. 5220006179 [Hon. Candace Cooper [Ret.]] Harry Stuver, et. al v. Redondo Beach Police Department and City of Redondo Beach

F.4. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director

PROPERTY:
230 Portofino Way, Redondo Beach, CA 90277
(a portion of APN: 7503-029-903)

NEGOTIATING PARTIES:
John Warner, Marine Mammal Care Center Los Angeles, a non-profit corporation

UNDER NEGOTIATION:
Terms

F.5. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director

PROPERTY:
230 Portofino Way, Redondo Beach, CA 90277
(a portion of APN: 7503-029-903)

NEGOTIATING PARTIES:
Allen Sanford, Sanford Ventures, Inc.

UNDER NEGOTIATION:
Terms

F.6. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director

PROPERTY:
Portions of the Redondo Beach Marina Parking Lot, Seaside Lagoon, and California Surf Club
239 & 245 N. Harbor Drive, Redondo Beach, CA 90277
(portions of APN #s: 7503-029-900 and 7503-029-903)

NEGOTIATING PARTIES:
Allen Sanford, BeachLife Festival

UNDER NEGOTIATION:
Price and Terms

F.7. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Sec. 54956.8.

AGENCY NEGOTIATORS:
Mike Witzansky, City Manager
Luke Smude, Assistant to the City Manager

PROPERTY:
3007 Vail Ave., Redondo Beach, CA 90278
(a portion of APN: 415-001-7931)
Parking Lot at the Corner of Felton Ln. and 182nd St., Redondo Beach, CA 90278
(APN: 415-803-3900)
715 Julia Ave, Redondo Beach, CA 90277
(portion of parcels APN: 750-702-0900 and APN: 750-702-1900)
1935 Manhattan Beach Blvd., Redondo Beach, CA 90278
(APN: 404-900-8903)
807 Inglewood Ave., Redondo Beach, CA 90278
(a Portion of APN: 408-302-4900)
200 N. Pacific Coast Highway, Redondo Beach, CA 90277
(a portion of APN: 750-500-9902)

NEGOTIATING PARTIES:
Dr. Nicole Wesley, Superintendent

Redondo Beach Unified School District

UNDER NEGOTIATION:
Both Price and Terms

F.8. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED POTENTIAL LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(4).

Two potential cases

Analyst Villa read titles to items that would be covered in Closed Session.

City Manager Witzansky announced the following would be participating in Closed Session: City Manager Mike Witzansky, City Attorney Joy Ford, Assistant City Attorney Cheryl Park, Outside Legal Counsel Josh Dale, Outside Legal Counsel Phil Toomey, Human Resources Director Diane Strickfaden, and Waterfront and Economic Development Director Greg Kapovich.

Motion by Councilmember Waller, seconded by Councilmember Obagi, to recess to Closed Session.

Motion carried 5-0 by voice vote.

G. RECONVENE TO OPEN SESSION

Mayor Light reconvened to Open Session at 6:07 p.m.

H. ROLL CALL

Councilmembers Present:	Waller, Castle, Kaluderovic, Obagi, Behrendt, Mayor Light
Councilmembers Absent:	None
Officials Present:	Eleanor Manzano, City Clerk Mike Witzansky, City Manager Joy Ford, City Attorney Laura Diaz, Records Mgmt. Coordinator/Sr. Deputy City Clerk

I. ANNOUNCEMENT OF CLOSED SESSION ACTIONS

City Manager Witzansky announced they were joined by Outside Legal Counsel Lee Smith for items F.1 and F.3, and the City Council unanimously authorized the City Attorney to defend the City in the case for F.2.

J. ADJOURN TO REGULAR MEETING

Motion by Councilmember Obagi, seconded by Councilmember Castle, to adjourn to the Regular Meeting at 6:08 p.m.

Motion carried 5-0 by voice vote.

6:00 PM – OPEN SESSION – REGULAR MEETING

A. CALL TO ORDER

A Regular Meeting of the Redondo Beach City Council was called to order at 6:01 p.m. by Mayor Light in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Councilmembers Present:	Waller, Castle, Kaluderovic, Obagi, Behrendt, Mayor Light
Councilmembers Absent:	None
Officials Present:	Eleanor Manzano, City Clerk Mike Witzansky, City Manager Joy Ford, City Attorney Laura Diaz, Records Mgmt. Coordinator/Sr. Deputy City Clerk

C. SALUTE TO THE FLAG AND INVOCATION

Mayor Light recognized any veterans and active-duty military for their service.

Nivin, 7th grader at Adams Middle School, led in the Pledge of Allegiance.

Mayor Light asked all to remain standing for a moment of silent invocation.

D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS/AB 1234 TRAVEL

D.1. MAYOR'S COMMENDATION TO THE ORGANIZERS OF THE FIRST GEORGE FREETH WATER POLO TOURNAMENT

Mayor Light spoke of the historic open-water water polo event held in the King Harbor; wanted to recognize the people that organized the event: Jordan Thompson, Vedran

Kaluderovic, and Grant Currie; provided some background and information on George Freeth; explained the efforts in planning the event which included acquiring the courts, the referees, the players, submitting applications, get the endorsement of USA Water Polo, etc. and the final outcome was 15 teams and a successful event; presented on behalf of the citizens of Redondo Beach, the City Council, and as Mayor Certificates of Commendation to each of the organizers.

D.2. MAYOR'S PROCLAMATION OF THE 175TH ANNIVERSARY OF CALIFORNIA'S STATEHOOD

Mayor Light introduced Sky Connors, representative from Gavin Newsom's office; spoke of the significance of the 1948 Treaty of Guadalupe Hidalgo and of California joining the Union as a free state in 1950; presented Skye Connors with the Proclamation for the 175th Anniversary of California's statehood.

Skye Connors accepted the award and spoke of the many contributions Redondo Beach has made to the State of California; thanked the City for their partnership.

D.3. MAYOR'S PROCLAMATION OF OCTOBER 13, 2025 AS INDIGENOUS PEOPLE'S DAY

Mayor Light noted that the City of Redondo Beach is the ancestral land of the Tongva Gabrielino people and on October 13th would like to recognize and proclaim the day in honor of the Tongvan people; provided background about the Tongva people and the significance of their presence in the City today; proclaimed October 13, 2025, Indigenous People Day in Redondo Beach.

Councilmember Waller reported attending the Beryl Heights Elementary's 100th Anniversary celebration, the water polo event, the celebration for the volunteers of the City, the BizFed Freshman Policymakers event at the Grammy Museum with Councilmember Kaluderovich, the Perry Park Teen Center Grand Opening, the Clean Power Alliance Annual retreat, Coffee with a Cop on Sunday (instead of the normal weekday), and the South Bay Area Chambers of Commerce mixer.

Councilmember Castle attended the water polo event, the Beryl Heights centennial anniversary celebration, the groundbreaking at the new park on Herondo and PCH in District 2 and noted that it is under discussion to name the park after the late Mayor Bill Brand; mentioned meeting with the Waterfront Economic Development group for a potential boat ramp; attended the volunteer ceremony and mentioned he had his Community Meeting; noted he would stop by the Coastal Commission meeting in the morning before going to Long Beach for the Cal Cities Conference for the week.

Councilmember Kaluderovic stated she represented their region on the Executive Committee for Regional Homelessness Alignment, which is creating a plan and spending Measure A tax dollars; attended Space Force's birthday and discussed military housing needs with the South Bay Aerospace Alliance; attended the Redondo Beach Rotary Club

dedication at Franklin Park for their 100 years of volunteering and dedication to the community; announced the District 3 Community Meeting would be on October 18th at 9:00 a.m. on Zoom.

Councilmember Obagi mentioned the District 4 Community Meeting was at the North Branch Library and Library Director Dana Vinke was a guest speaker; noted all the great events the library offers and asked to receive and file with the City Clerk the flyers for the events.

Motion by Councilmember Waller, seconded by Councilmember Kaluderovic, to receive and file Councilmember Obagi's flyers.

Motion carried 5-0 by voice vote.

Councilmember Obagi thanked Community Services and Public Works for their efforts in the Perry Park Teen Center; voiced his excitement over the final Teen Center product.

Councilmember Behrendt announced Councilmember Castle and himself met with the Harbor Patrol and Fire Station 3 personnel; mentioned they went out on the water with the Fireboat Captain, a firefighter paramedic, and the Harbor Master and spoke about the experience.

Mayor Light mentioned a Mayors' convening called by Holly Mitchell, County Supervisor, at Mayor Bass' house; noted the topic was homelessness and Redondo Beach was highlighted for achieving functional zero and their homeless court; reported that the Olympic subcommittee met to discuss changes to the video and the webpage and it would be rolled out soon; spoke with the Harbor Association regarding events that they are trying to put together; announced he would be at the Cal Cities Conference for the rest of the week and then will be on vacation for two weeks.

Councilmember Obagi commended all the members of City Council, the Mayor and the City Attorney for being at all the groundbreaking events for Wilderness Park, Herondo Park and Perry Park.

More discussion followed.

E. APPROVE ORDER OF AGENDA

Motion by Councilmember Obagi, seconded by Councilmember Castle, to approve the order of the agenda as published.

Motion carried 5-0 by voice vote.

F. AGENCY RECESS – 6:34 P.M.

F.1. REGULAR MEETING OF THE COMMUNITY FINANCING AUTHORITY

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Motion by Councilmember Waller, seconded by Councilmember Kaluderovic, to recess to the Regular Meeting of the CFA.

Motion carried 5-0 by voice vote.

F.2. PARKING AUTHORITY - REGULAR MEETING - CANCELLED

CONTACT: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

RECONVENE TO REGULAR MEETING FROM AGENCY MEETING – 6:38 P.M.

ROLL CALL

Councilmembers Present:	Waller, Castle, Kaluderovic, Obagi, Behrendt, Mayor Light
Councilmembers Absent:	None
Officials Present:	Eleanor Manzano, City Clerk Mike Witzansky, City Manager Joy Ford, City Attorney Laura Diaz, Records Mgmt. Coordinator/ Sr. Deputy City Clerk

G. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

G.1. For Blue Folder Documents Approved at the City Council Meeting

City Clerk Manzano reported four Blue Folder items: H.19, H.22, J.1 and N.1 which have public comment communications.

Motion by Councilmember Obagi, seconded by Councilmember Castle, to receive and file the Blue Folder items.

Motion carried 5-0 by voice vote.

H. CONSENT CALENDAR

H.1. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED AND REGULAR MEETING OF OCTOBER 7, 2025

CONTACT: ELEANOR MANZANO, CITY CLERK

H.2. APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA

CONTACT: ELEANOR MANZANO, CITY CLERK

H.3. APPROVE THE FOLLOWING CITY COUNCIL MINUTES:
A. SEPTEMBER 9, 2025 ADJOURNED AND REGULAR MEETING
B. SEPTEMBER 16, 2025 ADJOURNED AND REGULAR MEETING

CONTACT: ELEANOR MANZANO, CITY CLERK

H.4. PAYROLL DEMANDS
CHECKS 30401-30414 IN THE AMOUNT OF $23,320.06, PD. 9/26/25
DIRECT DEPOSIT 301074-301721 IN THE AMOUNT OF $2,382,549.98, PD. 9/26/25
EFT/ACH $9,065.19, PD. 9/12/25 (PP2519)
EFT/ACH $478,460.87, PD. 9/22/25 (PP2518)
EFT/ACH $465,879.40, PD. 10/6/25 (PP2519)

ACCOUNTS PAYABLE DEMANDS
CHECKS 121640-121840 IN THE AMOUNT OF $3,009,737.32
EFT CALPERS MEDICAL INSURANCE $523,799.59
DIRECT DEPOSIT 100009799-100009888 IN THE AMOUNT OF $100,867.79, PD.10/1/25
REPLACEMENT DEMANDS 121636-121639

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

H.5. APPROVE CONTRACTS UNDER $35,000:

1. **APPROVE AN AGREEMENT WITH THE KENNEL CLUB OF SOUTHERN CALIFORNIA, INC. DBA KENNEL CLUB LAX, FOR PERIODIC HOUSING OF POLICE DEPARTMENT CANINE SERVICE ANIMALS FOR AN AMOUNT NOT TO EXCEED $34,999 AND THE TERM OCTOBER 7, 2025 TO OCTOBER 6, 2027**

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

H.6. EXCUSED ABSENCES FROM VARIOUS COMMISSION AND COMMITTEE MEETINGS

CONTACT: ELEANOR MANZANO, CITY CLERK

H.7. APPROVE AN AMENDMENT TO THE AGREEMENT WITH SOUTHSTAR ENGINEERING & CONSULTING, INC. FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE KINGSDALE AVENUE RESURFACING (BETWEEN GRANT AVENUE AND 182ND STREET) PROJECT, JOB NO. 40880, INCREASING THE AMOUNT BY $145,600 FOR A NEW NOT TO EXCEED TOTAL OF $418,226

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.8. APPROVE THE PLANS AND SPECIFICATIONS FOR THE CITYWIDE SLURRY SEAL PROJECT WORK IDENTIFIED IN THE 2023 PAVEMENT MANAGEMENT REPORT, JOB NO. 41140, AND AUTHORIZE THE CITY CLERK TO ADVERTISE THE PROJECT FOR COMPETITIVE BIDS

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.9. APPROVE AN AMENDMENT TO THE AGREEMENT WITH MACKAY METERS, INC. FOR THE PURCHASE OF 43 PARKING METERS TO BE INSTALLED ON HERONDO STREET BETWEEN NORTH FRANCISCA AVENUE AND NORTH PACIFIC COAST HIGHWAY, AND RELATED MONTHLY METER HOSTING CONNECTIVITY FEES, FOR AN AMOUNT NOT TO EXCEED $54,608, FOR THE EXISTING TERM OF THE AGREEMENT THROUGH NOVEMBER 30, 2029

ADOPT A DECLARATION THAT THE METER INSTALLATION WORK IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

H.10. APPROVE A GRANT AGREEMENT WITH THE CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS) FOR SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) FUNDS IN THE AMOUNT OF $179,000 FOR THE TERM OCTOBER 1, 2025 THROUGH SEPTEMBER 30, 2026

ADOPT BY TITLE ONLY, RESOLUTION NO. CC-2510-069 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, APPROVING THE STATE OF CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS) SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) GRANT AGREEMENT BETWEEN THE OTS AND THE CITY OF REDONDO BEACH, AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY

ADOPT BY 4/5THS VOTE AND TITLE ONLY, RESOLUTION NO CC- 2510-070 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2025-2026 BUDGET MODIFICATION TO APPROPRIATE $179,000 IN STATE OFFICE OF TRAFFIC SAFETY (OTS) GRANT FUNDS FOR THE SELECTIVE TRAFFIC

ENFORCEMENT PROGRAM (STEP) TO THE INTERGOVERNMENTAL GRANTS FUND

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

H.11. APPROVE A FULFILLMENT AGREEMENT FOR SURFACE TRANSPORTATION PROGRAM-LOCAL FUNDS WITH THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY FOR THE AVIATION BOULEVARD RESURFACING - ARTESIA BOULEVARD TO MANHATTAN BEACH BOULEVARD PROJECT, JOB NO. 41440

ADOPT BY 4/5THS VOTE AND TITLE ONLY RESOLUTION NO. CC-2510-071, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A 2025-2026 FISCAL YEAR BUDGET MODIFICATION TO APPROPRIATE $1,747,973 OF PROPOSITION C FUNDS FROM LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY TO THE AVIATION BOULEVARD RESURFACING ARTESIA BOULEVARD TO MANHATTAN BEACH BOULEVARD PROJECT, JOB NO. 41440

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.12. APPROVE THE PURCHASE OF 10 REPLACEMENT SETS OF FIRE DEPARTMENT PERSONAL PROTECTIVE EQUIPMENT FROM MUNICIPAL EMERGENCY SERVICES, INC., UTILIZING A COOPERATIVE PURCHASING AGREEMENT WITH NATIONAL PURCHASING PARTNERS, FOR AN AMOUNT NOT TO EXCEED $50,518

CONTACT: PATRICK BUTLER, FIRE CHIEF

H.13. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2510-072 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, APPROVING THE FY 2025-26 GRANT AGREEMENT FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE REPLACEMENT OF DOCK INFRASTRUCTURE IN BASIN III AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE THE AGREEMENT AND ANY RELATED DOCUMENTS

ADOPT BY 4/5THS VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2510-073 OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2025-2026 BUDGET MODIFICATION TO ALLOCATE $1,466,279 FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE REPLACEMENT OF DOCK INFRASTRUCTURE IN BASIN III

CONTACT: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

H.14. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2510-074 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA APPROVING THE FY 2025-26 LOCAL COASTAL PROGRAM ASSISTANCE GRANT AGREEMENT FROM THE CALIFORNIA COASTAL COMMISSION TO FUND A SEA LEVEL RISE ASSESSMENT FOR ALL PROPERTIES WITH A COASTAL ZONING DESIGNATION AS REQUIRED BY SENATE BILL 272 AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE APPLICATIONS, CONTRACTS, AGREEMENTS, AND AMENDMENTS NECESSARY TO IMPLEMENT THE GRANT

ADOPT BY 4/5THS VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2510-075 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2025-2026 BUDGET MODIFICATION TO ALLOCATE $500,000 FROM THE CALIFORNIA COASTAL COMMISSION FOR LOCAL COASTAL PROGRAM ASSISTANCE

CONTACT: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

H.15. APPROVE AN ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE CITY OF REDONDO BEACH AND MISSIONSQUARE RETIREMENT FOR THE ADOPTION OF A GOVERNMENTAL TAX QUALIFIED MONEY PURCHASE PLAN (401A PLAN) UNDER SECTION 401A OF THE INTERNAL REVENUE CODE

CONTACT: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

H.16. APPROVE AN AGREEMENT WITH CLEAN POWER ALLIANCE FOR GRANT FUNDING IN AN AMOUNT UP TO $250,000 TO FUND ELECTRIC CHARGING INFRASTRUCTURE OR THE PURCHASE OF ELECTRIC VEHICLES

ADOPT BY 4/5THS VOTE AND TITLE ONLY, RESOLUTION NO. CC-2510-076, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A 2025-2026 FISCAL YEAR BUDGET MODIFICATION TO APPRIOPRIATE $250,000 IN CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA GRANT FUNDS TO THE PUBLIC WORKS INTERGOVERNMENTAL GRANTS FUND

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.17. INTRODUCE BY TITLE ONLY ORDINANCE 3298-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 9, ARTICLE 1 SECTIONS 2-9.100, 2-9.101, 2-

9.102, 2-9.103, 2-9.106, 2-9.107, AND SECTION 2-9.109 AND ADDING SECTIONS 2-9.110 AND 2-9.111 AND DELETING IN ITS ENTIRETY SECTION 2-9.108 PERTAINING TO THE UNIFORM REGULATIONS OF COMMISSIONS. FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE 3299-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING REDONDO BEACH MUNICIPAL CODE TITLE 2, CHAPTER 9, ARTICLE 4, SECTIONS 2-9.401, 2-9.402, AND 2-9.403 PERTAINING TO THE PUBLIC WORKS, SAFETY, AND SUSTAINABILITY COMMISSION. FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE 3300-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 9, ARTICLE 7, SECTION 2-9.702 AND AMENDING SECTIONS 2-9.704, AND 2-9.709, AND RENUMBERING TO 2-9.703 AND 2-9.704, RESPECTIVELY, AND DELETING SECTIONS 2-9.705, 2-9.706, 2-9.707, 2-9.708, 2-9.709, 2-9.712 AND 2-9.714; AND RENUMBERING SECTIONS 2-9.710 TO 2-9.705; AND 2-9.711 TO 2-9.706 PERTAINING TO THE HARBOR COMMISSION. FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE 3301-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING REDONDO BEACH MUNICIPAL CODE TITLE 2, CHAPTER 9, ARTICLE 10, SECTIONS 2-9.1002 AND 2-9.1003 PERTAINING TO THE PLANNING COMMISSION. FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE 3302-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 9, ARTICLE 13, SECTIONS 2-9.1301 AND 2-9.1302 PERTAINING TO THE BUDGET AND FINANCE COMMISSION. FOR INTRODUCTION AND FIRST READING INTRODUCE BY TITLE ONLY ORDINANCE 3303-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 9, ARTICLE 14, SECTIONS 2-9.1402 AND 2-9.1403 PERTAINING TO THE CULTURAL ARTS COMMISSION. FOR INTRODUCTION AND FIRST READING INTRODUCE BY TITLE ONLY ORDINANCE 3304-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 9, ARTICLE 15, SECTIONS 2-9.1502 AND 2-9.1503 PERTAINING TO THE PUBLIC AMENITIES COMMISSION. FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE 3305-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10, CHAPTER 4, ARTICLES 1, 3, 4, 5 AND 6, SECTIONS 10-4.104, 10-4.302, 10-4.304, 10-4.307, 10-4.308, 10-4.309, 10-4.310, 10-4.404, 10-

4.501 AND 10-4.601 PERTAINING TO HISTORIC RESOURCES PRESERVATION. FOR INTRODUCTION AND FIRST READING

CONTACT: JAMES A. LIGHT, MAYOR
LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

H.18. APPROVE THE MEMORANDUM OF UNDERSTANDING WITH HERO COMMUNITY SERVICES AS A CONSULTANT TO CLEAR'S ALTERNATIVE CRISIS RESPONSE TEAM AND TO IMPLEMENT A 12-WEEK WEEKEND PILOT PROGRAM TO RESPOND TO WEEKEND CALLS AND COLLECT IMPERATIVE DATA FOR THE SUCCESS AND LONGEVITY OF THE ACR PROGRAM FOR AN AMOUNT NOT TO EXCEED $149,994.28 FOR THE TERM OF OCTOBER 8, 2025 TO SEPTEMBER 30, 2026

CONTACT: JOY A. FORD, CITY ATTORNEY

H.19. APPROVE THE MEMORANDUM OF UNDERSTANDING WITH THE SOUTH BAY CITIES COUNCIL OF GOVERNMENTS TO ACCEPT ALLOCATED COUNTY LOCAL SOLUTIONS FUNDS AND LOS ANGELES COUNTY AFFORDABLE HOUSING SOLUTIONS AGENCY FUNDS FOR HOMELESS COURT AND MOTEL AND SINGLE-ROOM OCCUPANCY (SRO) BEDS IN THE AMOUNT NOT TO EXCEED $339,150 FOR THE TERM AUGUST 13, 2025 TO JUNE 30, 2031

ADOPT BY 4/5 VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2510-077, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2025-2026 BUDGET MODIFICATION TO APPROPRIATE $339,150 FROM THE SOUTH BAY CITIES COUNCIL OF GOVERNMENTS TO THE INTERGOVERNMENTAL GRANTS FUND FOR HOMELESS COURT AND MOTEL AND SINGLE ROOM OCCUPANCY (SRO) BEDS

CONTACT: JOY A. FORD, CITY ATTORNEY

H.20. APPROVE AN AGREEMENT WITH HARBOR INTERFAITH SERVICES FOR STREET OUTREACH AND HOUSING NAVIGATION SERVICES FOR THE AMOUNT NOT TO EXCEED $261,000 FOR THE TERM SEPTEMBER 4, 2024 TO SEPTEMBER 3, 2027

CONTACT: JOY A. FORD, CITY ATTORNEY

H.21. APPROVE AN AGREEMENT WITH COMMUNITY COUNTERPART SERVICES CORP TO PROVIDE ON-CALL PROFESSIONAL PLANNING AND STAFF AUGMENTATION SERVICES THROUGH JUNE 30, 2026 FOR AN AMOUNT NOT TO EXCEED $35,000

CONTACT: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

H.22. Councilmembers Obagi and Behrendt pulled item H.22.

Motion by Councilmember Waller, seconded by Councilmember Castle, to approve the Consent Calendar with the exception of H.22.

Mayor Light invited the public to speak on items H.1 through H.21.

City Clerk Manzano reported no one online and three eComments: one for H.10 in support, H.12 in support, and one for H.17 opposed.

City Attorney Ford asked if the representative from Hero Community Services wanted to come and introduce himself regarding item H.18.

Joshua, Hero Community Services, stated he was contacted by the City in regard to doing consulting work, if approved by Council, for the City's alternative crisis response that has been created with Clear.

Councilmember Kaluderovic explained that the alternative crisis response is targeted towards mental health for all residents in the City's community and that Hero Community Services would be a part of that team; noted it is not only for homelessness but for all the residents needing mental health assistance in the community through Public Safety.

Motion carried 5-0 by voice vote.

City Clerk Manzano read titles to: item H.10 adopt by title only Resolution No. CC-2510-069, adopt by 4/5ths vote and title only, Resolution No CC- 2510-070, item H.11 adopt by 4/5ths vote and title only Resolution No. CC-2510-071, item H.13 adopt by title only Resolution No. CC-2510-072, adopt by 4/5ths vote and by title only Resolution No. CC-2510-073, item H.14 adopt by title only Resolution No. CC-2510-074, adopt by 4/5ths vote and by title only Resolution No. CC-2510-075, item H.16 adopt by 4/5ths vote and title only, Resolution No. CC-2510-076, item H.17 introduce by title only Ordinance 3298-25, introduce by title only Ordinance 3299-25, introduce by title only Ordinance 3300-25, introduce by title only Ordinance 3301-25, for introduction and first reading introduce by title only Ordinance 3303-25, for introduction and first reading introduce by title only Ordinance 3304-25, introduce by title only Ordinance 3305-25, all for introduction and first reading, and item H.19 adopt by 4/5 vote and by title only Resolution No. CC-2510-077.

I. EXCLUDED CONSENT CALENDAR ITEMS

H.22. APPROVE AN AGREEMENT FOR LEGAL SERVICES WITH COAST LAW GROUP, LLP

CONTACT: JOY A. FORD, CITY ATTORNEY

Councilmember Behrendt stated he would be abstaining from the vote and not participate; turned the floor over to Councilmember Obagi.

Councilmember Obagi explained to the audience the topic is regarding the Metro expansion through Redondo Beach; reported the attorney hired to represent the City on the environmental aspect of the Metro final EIR had to withdraw due to personal reasons; thanked the City Attorney for researching and bringing in the Coast Law Group which is the agreement before them that evening; reported he had spoken to the mayor of Lawndale and councilmembers from Lawndale to discuss whether they should team up and share the same counsel and costs associated with the project; mentioned they expressed interest but that this Council has not discussed it yet nor has the City Attorney confirmed there are no conflicts to team up; hoped that both Lawndale and Redondo Beach Councils could explore the option separately but in the meantime wanted to make a motion to approve the agreement for legal services with Coast Law Group but stop work until a final decision is made on the partnership with Lawndale; noted that Lawndale's legal counsel is Aleshire & Wynder.

Motion by Councilmember Obagi, seconded by Councilmember Kaluderovic, to approve the agreement with Coast Law Group so they have legal counsel in place but provide direction to stop work until a decision has been made on whether or not to share counsel with the City of Lawndale and then make a decision on what role Coast Law Group can play in representing Redondo Beach's interest.

Councilmember Castle asked Councilmember Obagi how long he would give Lawndale to make a decision.

Councilmember Obagi stated it is his understanding that the Metro board is not meeting on the item in October so felt two weeks or till the end of October would be sufficient time for Lawndale to make a decision; noted they also need to discuss in Closed Session and make a decision.

Councilmember Waller asked if the City anticipates the need for litigation or attorney advice in the next month.

City Attorney Ford stated the litigation doesn't start until the Board makes a decision on the project but there will be preparation for it and can ask the attorney to hold off until they have a definitive answer.

More discussion followed regarding work that is being done on the environmental aspect of the project and developing the case, noted that the attorney has been following the details, and the need to be prepared and not wait.

Mayor Light invited public comment.

Niki Negrete-Mitchell, District 3, stated she is a Right-of-Way stakeholder in the trench zone for the hybrid option; felt the advantage is that Lawndale is prepared and supported

the option; mentioned she had comments but felt it would be more appropriate during Non-Agenda Items; reported Lawndale's meeting after October 23rd would be December 4th.

Kevin Mitchel, Right-of-Way stakeholder, spoke of a new letter written by TORC (Torrance Oil Refinery Corp.) to Metro and was in the EIR that day; recommended that the City speak directly to them because they have some very important concerns about what the DEIR was doing and felt they may have some insights into how to proceed.

Mark Nelson (via Zoom), District 3, stated it seemed there are two needs: 1) for the FEIR and 2) in the decision making process and wasn't sure if that required two separate law firms or two separate interests; supported working with Lawndale to share resources; wanted to point out that there's an environmental issue separate from the business issue and hoped whatever law firms the City engages would be capable of looking into that.

Kyle Johnson (via Zoom), District 1, voiced his disappointment in the City for gearing up to sue Metro over the decision when so many people claimed support for public transit in the South Bay; opposed taking on this legal counsel.

Mayor Light clarified that the City doesn't oppose extension of the Metro, they just want it to go in a place that doesn't impact their residents so much.

City Clerk Manzano reported that concluded the eComments and Zoom.

Motion carried 4-1 by voice vote. Councilmember Behrendt abstained from the vote.

J. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

J.1. For eComments and Emails Received from the Public

Vicki Castaldi, District 2, stated she is an Airbnb host and started listing her extra bedrooms on Airbnb 12 years ago; explained how the extra income has helped her through financial hardships; reported she received a letter from the RBPD stating she could no longer offer short-term rentals; stated she understands that her area is only zoned for residential but wanted Council to consider her situation; provided a map with pins of where all her guests have come from to visit Redondo Beach.

Councilmember Obagi asked if Vicki Castaldi could offset her mortgage costs with stays of 30 days or longer.

Vicki Castaldi responded that there is not as much interest in longer term stays and that it blocks the calendar for shorter-term stays.

Laurie Armer, 17 year resident in District 3, reported she also received a notice to cease her Airbnb; explained that she is a retired teacher, newly divorced, and Airbnb supplements her income; stated she understands asking non-resident homes to cease

short-term rentals but felt for hosts that live in the same house there should be a local approach to allow responsible hosts to operate; asked the Council to consider a regulated short-term rental program for residents who let out rooms in their permanent residence; noted they could include mandatory rules such as 24-hour contact and registration which would preserve the public safety of neighbors and generate local revenue; offered her assistance to help pilot the program, provide a one-page proposal, meet staff, and neighbors to refine the program.

Councilmember Obagi clarified that she is operating the residence as a shared occupancy and she is living in the same residence during the short-term stay.

Laurie Armer responded yes.

Lisa Happee-Cates requested to submit material to be received and filed.

Motion by Councilmember Waller, seconded by Councilmember Kaluderovic, to receive and file the material Lisa Happee-Cates submitted.

Motion carried 5-0 by voice vote.

Lisa Happee-Cates, 18 year resident of District 1 and President of Keep the Esplanade Beautiful, read the organization's mission statement; reported she has a master's in environmental economics; noted one of their goals is to inspire others to join them by their monthly sweeps on the first Saturday at 9:00 a.m. at Avenue I and stated they report how much is collected to the City, and they have an annual community mixer and noted their next one is on October 22nd; reported they have their first two candidates for their high school scholarship program.

Otis Schlaff, 4th grader at Jefferson Elementary School, reported he rides his bike to school every day; noted it is his favorite way to start the morning and that he has built up the strength to ride up all the hills in town, not using an e-bike; explained that he understands the dangers of riding in traffic and stated the scariest place is the intersection at Ford and Aviation; reported that he has witnessed several dangerous incidents in that intersection but it is on his route to school; noted that there are 27 crossing guards of which four are assigned to Jefferson and asked the Council if they would consider moving one of those crossing guards to the intersection of Ford and Aviation.

Councilmember Kaluderovic asked Otis Schlaff if he could find out how many students cross that light daily and email her that information. Otis responded yes.

Holly Osborne, District 5, pointed to her visual aid and said that she gave it to Lawndale the night before; mentioned it is one of the FEIR things regarding the Metro item and that they are reporting that the width is 81 ft but it is only 75 ft; reported she called them out on their mistake and they changed it on some of their material but not on all of it and wanted to show Council what she meant; used the drawings she created to explain the issues she has with the project; mentioned that any civil engineer that sign drawings that

they know are wrong can lose their license and whoever signed the drawing on the previous appendix knew they were doing it wrong.

Jim Mueller stated the Council praised the NRBBA for their two Dine-Around-Artesia events; noted they were very successful at getting crowds for two evenings out of 365 and stated a weekly professionally managed farmer-style market could do that 52 times a year but a startup is needed; mentioned he asked people on Next Door, and on the Redondo Facebook page, if they would like a farmer's market on Artesia Blvd and reported receiving over a 100 positive responses; understood the Council is hoping the AACAP would revitalize the corridor but felt the farmer's market idea would be quicker and cheaper to jumpstart revitalization; explained other reasons why the farmer's market would be a good idea to consider; hoped the Council would take part in getting it started.

Niki Negrete-Mitchell, District 3, mentioned there are five industry professionals that are relevant to the fuel corridor; stated it is completely incompatible for that corridor to be running human commuters; noted in the FEIR among all the responses to the DEIR was a seven page long letter from the Torrance Refinery Company on their letterhead; read an excerpt from the letter that stated, "the proposed project would cause significant adverse safety, security, access, and other impacts to our employees, operations, contractors, and surrounding community and environment that have not been adequately reviewed and addressed in the DEIR" and went on to read more concerns the Torrance Refinery Company wrote regarding passengers riding the lines; expressed the seriousness of the situation and noted the impacts of living in the trench zone.

Kevin Mitchell, District 3, spoke of a hybrid option that was introduced after the DEIR and explained it is tunneling under 182nd and 170th Street which will be in their backyard; noted everyone wanted Metro in the South Bay but the location chosen is not what was expected and has become a problem; hoped the City would support them and do what is best for everyone in Redondo.

Jerome, owner of Sandbox Smoke Shop, spoke of being a good business owner and that he is trying to get out of the business and has already sold his other two smoke shops; stated the smoke shop has been on the market since April and understands the grandfather rule but wanted to know how he needs to proceed to sell the place; reported his shop has been burglarized six times already; spoke about the ordinance and asked how he is supposed to proceed to get out of the business.

Councilmember Obagi stated they can't discuss it there but that he can send him an email.

Mark Nelson (via Zoom) felt Otis Schlaff did a great job and supported having RBUSD hire an incremental crossing guard for their own use; spoke on the Airbnb issue and did not understand why the City would restrict renting out rooms in an on-site owner-occupied home but did support not allowing dwellings that were not owner-occupied to be allowed for short-term stays; felt the City should work with owners that have situations such as the two speakers and allow them to rent out their rooms; mentioned he forwarded to the Council a letter from Darryl Boyd regarding the 500-600 North Prospect frontage road

traffic noise and safety issues; mentioned Mr. Boyd's points are valid, facts that noise can damage health, and that Metro's FEIR draft acknowledges noise can damage health but that they don't have a solution for it; hoped that the City would take a look at all the noise issues in the City and see what they can do; stated he supports Mr. Boyd's efforts.

Mayor Light reported that the 30 minutes for Non-Agenda Items was concluded.

K. EX PARTE COMMUNICATIONS - None

L. PUBLIC HEARINGS - None

M. ITEMS CONTINUED FROM PREVIOUS AGENDAS - None

N. ITEMS FOR DISCUSSION PRIOR TO ACTION

N.1. DISCUSSION AND POSSIBLE ACTION REGARDING A TEMPORARY PREFERENTIAL PARKING PROGRAM TO ADDRESS HOLIDAY TRAFFIC AND PARKING IMPACTS IN THE MASSENA AND AVENUE H NEIGHBORHOOD ALONG WITH ADDITIONAL STRATEGIES THAT COULD BE EMPLOYED TO CONTROL VEHICULAR TRAFFIC BETWEEN THANKSGIVING AND THE NEW YEARS HOLIDAY

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3297-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING CHAPTER 7, ARTICLE 3 OF THE REDONDO BEACH MUNICIPAL CODE REGARDING PREFERENTIAL PARKING TO ADD SECTION 3-7.1707 REGARDING A PILOT PROGRAM FOR TEMPORARY SEASONAL PREFERENTIAL PARKING

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

Public Works Director Andy Winje explained they are there to update the City's preferential parking permit program which was driven by the Avenue H neighborhood holiday light issues; noted the direction staff was given by Council was to return with a short-term solution for part of the ordinance so they have brought forward a proposed ordinance for a temporary preferential parking program as well as other traffic strategies related to the request from the City of Torrance.

Traffic Engineer Ryan Liu went into more detail about the traffic issues they experience during the holiday season with the Christmas lights in Torrance; noted there are limited entry points and efforts to alleviate the traffic have not been successful enough; stated they are proposing a new section of the Redondo Beach Municipal Code that creates a two-year pilot proposed temporary zone (TSPP); explained that it will be a resident-only parking permit between Thanksgiving and New Year and went into more detail regarding the hours, locations of use, and potential allowed permits per residence; provided a slide showing the affected streets that would be subject to the temporary restrictions;

mentioned they have discussed some concerns from the Police Department and residents regarding invited guests during the season, spillover traffic and parking, and the enforcement of the TSPP and they are trying to keep it simple and are focusing on restricting entry into the area; stated the second part of the discussion was on the annual traffic mitigations that they implement at the Torrance border; mentioned it is a yearly item that comes before the Council as a Consent item; explained they have used various signage to discourage entry into that neighborhood, help direct people to the holiday lights, and warn of road closures; noted they even created a temporary traffic circle and provided trash cans; reported Torrance came to the City with a request to allow egress from the Torrance side into Redondo Beach and explained the City would forego installing the two bollards westbound on Avenue H; noted they are not sure of the enforcement strategy from Torrance and would like a MOU from Torrance; concluded the presentation and welcomed public comment before making the decision on the TSPP, whether to approve the ordinance tonight and return for a second reading or if it needs modification or if they prefer not to establish the permit parking zone this year; added staff would like direction on any fee, if any, for the parking permit zone and on approving the modified Avenue H closure plan for this holiday period.

Public Works Director Winje reiterated that this is a two-year pilot program and that there are still a lot of uncertainties with the new solutions; noted the response to what they did last year was positive but that the PWSC felt more could be done to help out with congestion; stated the recommendations are to find out what the neighbors would really like to do and approve the ordinance as they have written it or make modifications; pointed out the draft ordinance in the packet for the Council that evening has no fee assigned to the permit or a waived fee for the permit unless Council directed staff to come back with a resolution establishing a fee for a future date.

Mayor Light asked if the permit was a hang tag or a sticker.

Public Works Director Winje responded that due to time and to keep it simple they would have an 8 ½ x 11 sheet of paper with the license plate number and have it place on the windshield of the car.

Mayor Light asked if Torrance has agreed to any of the requests Redondo Beach has made in regards to traffic.

Public Works Director Winje reported they have been in contact with the Public Works Department for Torrance and have communicated the type of signage they would like to see to change some of the truck routes or at least alert the truck drivers that the route ends at the City boundary; mentioned they were amenable and confirmed one sign was installed today; noted they would like another route shut down at PV and Sepulveda Blvd before truckers make the turn onto PV Blvd to the southwest.

More discussion followed on accommodations Torrance should make for the City since Redondo Beach has agreed to a lot of their requests.

Councilmember Waller mentioned he hand delivered the letters that went out to the residents of District 1 and spoke directly to several of them; stated the opinions varied; spoke in favor of not charging for the temporary parking permits and not limiting per residence.

Councilmember Behrendt referenced the administrative burden noted in the presentation and the Administrative Report and asked the City Manager what department would be burdened and is there any way to alleviate the burden if the Council were to move forward with it.

City Manager Witzansky spoke of the daily installation/removal of the bollards, the modification, and the installation of the temporary traffic matters will have little impact and added effort on the City staff since they have been addressing the issues for several years already; stated that the Police Department would get the largest share of the work regarding the creation and enforcement of the temporary parking permit program and went into more detail of what that requires; spoke of keeping it simple for the pilot program including not charging a fee; noted there is uncertainty with the program and they don't know exactly how Torrance will comply.

More discussion followed.

Councilmember Kaluderovic gave deference to Councilmember Waller since it is in his district but asked about the paper permits or if another type of permit would be administered for the TSPP.

City Manager Witzansky spoke about creating a standardized placard and issuing three per residence to all of the households in that neighborhood.

Mayor Light asked how those permits are registered to their respective houses.

City Manager Witzansky noted it would be simpler to have the households use them at their leisure but if they want them to be registered to the household more administrative work will be added; felt more discussion would be needed to work out the pros and cons.

Councilmember Kaluderovic stated she wanted to avoid passes being sold and felt that residents should provide their registrations in order to obtain their permits; regarding alleviating traffic for Torrance, suggested Councilmember Waller and/or another Councilmember speak to the council in Torrance to iron out and discuss Redondo's requests before agreeing to what Torrance is requesting.

More discussion followed regarding speaking with the Torrance council and on next steps regarding the preferential parking permit program.

Motion by Councilmember Waller, seconded by Councilmember Castle, to give direction to staff to move forward with the plan as modified by his discussion points.

Mayor Light invited public comment.

Amy Chaffin, resident of Massena Ave, thanked the City for the efforts last year and felt it helped tremendously; opined removing the blockade, even as a one-way exit, would be a big mistake and endanger the people walking around the area; felt that last year's plan worked well and they do not need permits; stated the only issue she noticed last year were the vendors started to move into their area since Torrance cracked down on them and asked that be monitored; felt the two-year pilot program is too long and should be shortened to one year; noted a permit program would cause problems for visitors during the holiday season and for their nanny who's car is not registered to their home.

Chris, resident of Circle and Massena, stated he does not support the egress idea and explained that it would worsen the problems; felt Torrance will not supervise the area 100% and there will be issues of people trying to go in and out of one side; spoke in support of the TSPP but felt that tickets should be issued or else no one will abide by the permit process; recommended more trash cans and signage indicating violators will be ticketed.

Zara Cartlage, resident of Circle Dr, voiced concerns over taking down the blockade and allowing one-way to exit; stated it will cause more problems and traffic issues; mentioned her friend has had her car hit multiple times because of people going down that street and trying to U-turn to get out; felt neutral about the parking permit program and felt a trial period of one year would be sufficient.

Teri Clemens, resident of Avenue H, spoke of Torrance residents as well as Redondo Beach residents parking at Tulita; felt changing the blockade would cause problems and consistency would be better; noted it is not just Torrance residents but that social media has brought in many out of town visitors to the area; opined the parking permit will not solve any problems and will make it more difficult for the residents entertaining guests at their home; felt the City adding more solutions or changes each year is just confusing.

Keith, resident on Avenue H, felt Torrance is blackmailing Redondo Beach and they are giving up their parking just so Torrance can solve their problems; explained that Torrance has caused all these issues because they have eliminated parking on their side which caused more issues in Redondo Beach; felt the parking permit program will just push the problem further down Prospect; mentioned that the Police Department already has to deal with the vendors, the parking and traffic and the hit and runs on residents' cars; reported he is a retired Torrance police officer and knows Torrance does not assign anyone to that location and explained how they handle that assignment; felt it does not make sense to change what has been working there.

Chris Roberts, resident of Avenue H, spoke of the huge difference it made having the bollards go up and felt it would be a bad idea to remove it; felt the permits will not make a huge difference but could live with it if needed and felt it would impact visitors coming in for the holidays.

Christian Gammill, resident of Massena, supported not removing the bollards; stated that the parking permits miss the point of traffic being the problem and not parking; noted that taking down the bollards will make traffic disastrous and didn't understand what the permits would accomplish; felt, if they go with the permits, residents should have the discretion on how they use them; agreed with the comments made about out of town guests; felt last year's improvements were great and now it's being overthought; stated he does not like his neighborhood being used as a bargaining chip with Torrance.

City Clerk Manzano reported no more online and no eComments.

Councilmember Waller spoke of the tradeoff of using the District 1 neighborhood as a "bargaining chip" with Torrance being worth it if it keeps more of the trucks off Palos Verde Blvd during the year as opposed to the neighborhood being affected for two to three weeks out of the year; noted it would potentially be only one year of inconvenience for the neighborhood but solve the truck route issue indefinitely and explained why.

Councilmember Behrendt stated he would support whatever Councilmember Waller felt was best for his district.

Councilmember Obagi suggested a friendly amendment to Councilmember Waller's motion to require a written MOU with Torrance that requires they put a human on the one-way street and includes the agreement with the truck routes and includes a provision that if a person does not show up, the bollard will be put up to completely block the street; stated he does not want to cater to Torrance, noted that Torrance has never entertained Redondo's requests for assistance, and that their City has always made efforts to work with Torrance on items that affect their city; felt it is time for Torrance to start working with them and they need to do what is best to serve the City's residents.

Councilmember Waller accepted the friendly amendment.

Councilmember Castle accepted the friendly amendment.

Mayor Light asked the Chief of Police to provide his perspective on the subject.

Police Chief Hoffman stated he has dealt with a lot of scenarios over the past few years and last year they made some different adjustments based on vendors being pushed out, an increase in code enforcement, and issued more citations than before; felt they made some positive improvements; stated TSPP enforcement will be challenging, time consuming, and expensive since the police officers will need to inspect each vehicle for the paper or hanger permit in the car; stated it can be done but it will require them to take services away from other areas of the City and require rescheduling; stated the bollard issue would be very challenging; suggested if they do an MOU, they should not state put a human being there because they will put a security guard or the equivalent of one but it needs to be a police officer and noted it will be a significant expense; felt the bollard removal would make the traffic situation worse and provided examples of potential negative situations; mentioned without the cooperation with Torrance the solutions being

suggested would be very challenging and require more effort with staffing.

Mayor Light asked what Chief Hoffman would recommend.

Police Chief Hoffman stated it is a policy call for the Council and just wanted to provide his unique perspective as a police officer but felt that opening up the traffic pattern will create unknown burden on enforcement and make emergency response even more difficult; suggested specific signage would be helpful.

Councilmember Waller asked Chief Hoffman, if they do obtain the agreement with Torrance so that Palos Verdes Blvd is never a truck route, would it offset the efforts needed for the holiday lights traffic issues and new recommendations.

Police Chief Hoffman stated they provide more enforcement on Palos Verdes Blvd corridor than any other street in the entire City; stated the agreement with Torrance would not change the need for law enforcement in that area, it would just allow them to write more citations.

More discussion followed about types of signage needed for the area.

Councilmember Kaluderovic asked Councilmember Waller when he was speaking with residents were they indifferent to the preferential parking permits; felt from what they have heard tonight residents are happy with what was done last year.

Councilmember Waller stated residents of Avenue H were indifferent to the need for preferential parking permits and against the removal of the bollards; stated the residents of Massena and Circle preferred the preferential parking permits and had moderate acceptance of the bollard removal.

Councilmember Kaluderovic offered a substitute motion to provide preferential parking permits to residents only, use of proper signage, keep the bollards up this year, and have a discussion with Torrance on how to move forward.

Councilmember Obagi seconded the substitute motion.

Assistant City Attorney Cheryl Park noted that with both motions it appeared they would like to amend the subsection E of the ordinance to say that Council is giving staff latitude on how the preferential parking permits will be issued and to come up with a process; felt that is a substantive change to the ordinance such that it cannot be introduced tonight, the ordinance would need to be amended and come back; mentioned initially the Mayor asked that they just delete subsection E3 related to providing a maximum of three preferential permits per address which would have been fine but what they are suggesting changes the entire permitting scheme and is a substantive change and would need to come back for first reading at the next meeting.

Councilmember Castle felt they could delete the number of parking permits per residence

and allow residents to decide how many parking passes they need during the one month period since speakers have said parking is not the issue; stated the risk of selling the permits is low since they are temporary permits.

Councilmember Kaluderovic stated she is open to that idea and felt if there was an issue with it they would hear from residents about it; amended her motion to accept the ordinance as written but moving the numerical number of parking permits.

Assistant City Attorney Park stated that would be subsection E3, which currently states "a maximum of three preferential parking permits shall be issued for each address located in the TSPP zone", would be deleted.

Councilmember Waller asked if it would be non-substantive to remove subsection E4 which associated the permit with the license plate.

City Manager Witzansky suggested they get the Council's comments and come back with re-introduction next week which won't add extra time; wondered, if they are not removing the bollards, would having a preferential permit program be needed; noted that the intent of the program was to mitigate potential impacts of allowing through traffic coming westbound through Avenue H; opined the program would not be needed if they are not removing the bollards and from what they have heard tonight from the residents is that parking is not a problem.

More discussion followed.

Councilmember Kaluderovic felt not taking down the bollards this year and having a discussion with Torrance was important; amended her motion to leave the bollards up this year and not implement the TSPP.

Councilmember Obagi felt they should direct staff to work on an MOU for next year regarding the truck routes and other issues discussed.

Councilmember Kaluderovic disagreed with adding that at this time and preferred a discussion with Torrance take place first.

Councilmember Obagi seconded the amended motion.

More discussion followed on the amended motion reflecting last year's solution to the holiday lights with the addition of more social media posts warning people visiting.

City Manager Witzansky mentioned another option would be to try out the bollard removal two nights during the week which may open up the conversation with Torrance regarding the truck routes; stated the truck routes are a severe issue for their City.

More discussion followed regarding conversations Councilmember Waller has had with the City of Torrance councilmembers.

City Manager Witzansky noted they can table the conversation for tonight, go back to Torrance with what transpired that evening and see how Torrance responds.

Councilmember Obagi offered a substitute motion to the substitute motion to table the discussion for one week, reach out to Torrance for a response on agreements they discussed tonight.

Councilmember Waller seconded the substitute to the substitute motion.

City Manager Witzansky stated he understands the residents of that neighborhood have been suffering for many years and that Torrance has been frustrated since the bollards had been deployed since it impacts their neighborhoods as well but pointed out it is Torrance's holiday light show; noted it will only work if Torrance is fully onboard and commits the resources that are essential to make it work.

Mayor Light referenced what Chief Hoffman said about the costs and asked if it would be fair to ask Torrance to fund the delta if they opened up the bollards as requested.

City Manager Witzansky responded that if Torrance does not man that area then it does not work and the bollards go back up.

More discussion ensued regarding added enforcement needed even if Torrance mans that station and to ask Torrance to fund the added costs.

Mayor Light felt it is Torrance's light show and they get the benefits but Redondo Beach is suffering with the added traffic, parking issues, and increased costs of enforcement.

Mayor Light called for the vote on the substitute motion to the substitute motion made by Councilmember Obagi.

Motion carried 5-0 by voice vote.

N.2. DISCUSSION AND POSSIBLE ACTION REGARDING A CONCESSIONAIRE AGREEMENT WITH MBM HOSPITALITY, INC. FOR USE OF THE VETERANS PARK HISTORIC LIBRARY FACILITY

APPROVE THE PROPOSED CONCESSIONAIRE AGREEMENT WITH MBM HOSPITALITY, INC.

CONTACT: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

Community Services Director Hause provided some background on the item, mentioned it has been in the works for three years, and provided some of the history regarding the facility; noted that Spectrum Holding Company was awarded the catering and management contract in 1996, renewed in 2013, and expired in 2020 but not renewed; reported due to the pandemic no RFPs were released until 2022 when restrictions were

lifted; noted that, prior to release of the RFP, staff was directed by Council to make the space more accessible to the public, directed to do community outreach, and after receiving all the feedback staff updated the RFP which Council approved for release; reported two proposals were received which were presented to Council in 2023; stated Council gave staff the green light to begin negotiations with Made by Meg and tonight they have the proposed agreement ready to present; reviewed the terms of the proposed agreement which included: term length (total of 20 years), café, exterior use, City use of Facility, cultural commitments, a parking management plan, facility improvements (MBM will invest $866,000 into improvements), concessionaire improvement credit (up to $325,000 across the first two years), facility upkeep and maintenance (will receive $3500 monthly credit), ongoing facility improvement fund, and marketing; explained the rent paid by MBM, noted it is paid quarterly in two installments with a minimum annual rent plus percentage rent; provided an example of how rent is paid quarterly; went over improvements MBM would be doing to the historic library and improvements the City has done and are currently doing; mentioned they are hoping the facility improvements will be completed by June 30, 2026 and within six months of the completion MBM will organize an opening day celebration for the community; stated that, in terms of fiscal impact, funding for the City's improvements were captured in the CIP program and some HUD funding and Measure A will fund the ADA improvements; stated, in terms of revenue, over the initial 10-year term it will be about $2.2 million plus whatever percentage rent they are able to generate; stated their recommendation is to approve the proposed concessionaire agreement with Made by Meg for the Veterans Historic Library facility.

Councilmember Behrendt thanked staff for all the work and the MBM team; asked if the MBM team wanted to come up and speak.

Meg Walker, owner of Made by Meg Catering, introduced herself and stated what an honor it would be to work in a venue such as the Veterans Historic Library; mentioned they are a local company headquartered in Torrance, opened in 2007, mentioned awards they have recently received, and spoke of their vision for the library; stated as operators they will handle all the fiscal responsibilities required, will invest immediately in renovations, and will plan for ongoing improvements; mentioned the social media platforms they can be found on.

Discussion followed.

Motion by Councilmember Kaluderovic, seconded by Councilmember Obagi, to approve the proposed Concessionaire Agreement with MBM Hospitality Inc. for use of the Veteran's Park Historic Library facility.

Councilmember Obagi thanked staff and MBM for all the work they have done to get to this point; spoke about the quality of MBM and voiced his excitement for the agreement.

Councilmember Waller voiced his support for the item.

Motion carried 5-0 by voice vote.

N.3. DISCUSSION AND POSSIBLE ACTION REGARDING UPDATING THE CITY FLAG WITH THE NEW LOGO AND INCORPORATING THE NEW LOGO ON OTHER CITY MAINTAINED FLAGS AND PENNANTS

CONTACT: JANE CHUNG, ASSISTANT TO THE CITY MANAGER

Assistant to the City Manager Jane Chung introduced the item; outlined the presentation to include: overview, estimated cost breakdown, design options, and recommendations; mentioned the current flag was introduced in 1999 through a Citywide contest, reported the City maintains 10 other flags and 22 colored pennants along International Boardwalk; reported on July 2024 the City adopted a new logo through a Citywide competition and added the item to the 2025 Strategic Plan and appropriated $10,000 in the FY 2025-26 budget.

Mayor Light clarified that the 10 other flags mentioned are not Redondo Beach flags but flag poles with the American flag, California flag, and City flag.

Assistant to the City Manager Chung provided an estimated cost breakdown from the lowest priced vendor which totaled $8,285; mentioned with this updated estimate all updates to City flags and pennants could be completed within the approved budget; provided a slide with three design options; recommended Council provide direction to staff on the number of flags and/or pennants to replace with the new City logo and select a design.

Some discussion followed.

Mayor Light stated his preference would be for the colored option on the blue background and mentioned that Councilmember Kaluderovic (who left the chambers during the presentation) opined that the pennants get a third color.

Councilmember Kaluderovic returned to the dais at 9:16 p.m.

Councilmember Obagi asked an AI application what constituted a good City flag and it responded that it is a simple, child drawable design, meaningful symbolism, two to three basic colors, no lettering or seals, distinctive; provided examples from AI, feedback he received from a post he made on social media, and feedback he received from Jordis Small; stated he liked the blue background and wanted a big circle for the logo.

Councilmember Waller stated he would defer to Jordis Small since she designed the logo and understands what is needed; noted he liked option three the best except that the logo is too small but would follow direction from the professionals.

Councilmember Castle spoke in favor of option three for the City flag and blue and gold for the pennants at International Boardwalk; mentioned that he felt the circle had to be a certain proportion to the size of the flag and said they should ask the designer her opinion. Councilmember Behrendt felt keeping the lettering on the logo is important.

Motion by Councilmember Obagi to approve option three but explore a larger circle that allows the lettering to be more visible and explore alternative backgrounds for the pennants in blue and yellow coloring.

City Manager Witzansky confirmed that they would be allowed to go back to Jordis Small for her professional opinion on what was discussed, purchase the 22 pennants and 10 City flags.

Councilmember Waller seconded the motion.

Kyle Johnson (via Zoom), District 1, spoke in support of the flag without the text.

Motion carried 5-0 by voice vote.

N.4. DISCUSSION REGARDING AN UPDATE ON THE CITY'S ENHANCED RESPONSE TO HOMELESSNESS PROGRAM

CONTACT: JOY A. FORD, CITY ATTORNEY

City Attorney Ford provided a high level update of the City's homeless response with the goal to give the new members and residents some background and history of their efforts in homelessness; noted that Stephanie Johnson is their new Quality of Life prosecutor and has done an amazing job; mentioned Stephanie Johnson had the three items passed on Consent and turned the floor over to her.

Senior Deputy City Prosecutor Johnson stated she oversees the quality of life issues within the City including homelessness and housing project initiatives; provided a presentation regarding the City's Enhanced Response to Homelessness Program; explained the history behind the program which produced the Homeless Task Force, a Quality of Life Officer and Prosecutor, collaborations with Harbor Interfaith and Beach Cities Housing, and the Enhanced Response to Homelessness; provided a detailed explanation of the Enhanced Response to Homelessness which included homeless court, the pallet shelter, bridge housing, City Net, employing a Homeless Housing Navigator, and achieving functional zero; provided a visual of the continuum of care they strive to achieve from the initial call all the way to the permanent housing of the individual; stated all the programs are made possible through the support of people and funding sources; reported the City received $2.9 million in grant funding this fiscal year and explained where the grant funding is being applied; reported the Los Angeles County annual point in time count tracks the success of homeless efforts and Redondo Beach has participated in the count since 2013; went over the data on her slides regarding the County Point in Time (PIT); recommended that the Council receive and file her report.

Mayor Light felt the numbers are skewed since they count vans and RV's as possible dwellings for homeless individuals; mentioned vacationers that park and move on during some seasons; asked when the additional pallet shelters would be installed.

City Attorney Ford responded by March.

City Manager Witzansky added bid advertising would begin next week, bid opening dates would be early to mid-November, and 45 days is normally when they award the contract.

More discussion followed regarding the scope of the additional pallet shelters.

Councilmember Obagi disagreed with the Mayor on the numbers being inaccurate; mentioned hearing at the COG the Measure A funding, now that the tax has been implemented by the County, is funding permanent supportive housing and asked if that is correct.

City Attorney Ford stated that is not correct and they are still getting funding for their bridge housing; noted they have not asked the COG for funding for the pallet shelter and they still have the PLHA and county funds for that.

Councilmember Kaluderovic stated there are two sides to Measure A: the infrastructure, which is LACAHSA, and local solutions funding; mentioned more money goes to permanent supportive housing in the Measure.

Councilmember Obagi asked if funding for the pallet shelter will be continuous so they do not need to worry about funding for it or is it drying up since they are focusing on permanent housing.

Councilmember Kaluderovic stated it is spelled out in the Measure how the funds need to be spent; opined the language has some gray areas and the county could push back on funding some things such as the homeless court; mentioned her goal is to be the local voice on that because it is a local solutions fund and explained discussions are being held on what funds need to be cut.

Councilmember Obagi went back to his question and restated asking if the City will be able to sustain the pallet shelters through funding sources or will it become a challenge.

City Attorney Ford stated they are coming back next week with the extension of the current 20 units for another six months because half of it is dependent upon the City's PLHA funding and they will need to see how much funding they receive from that and the other half is paid through the County, which the shelter is run by the County so there is incentive for it to continue; stated they are in negotiations on how much it will cost after the expansion, noted there is money there but she can not give an exact amount of how much.

Councilmember Obagi asked if it would make sense to look at permanent housing solutions for that site in the future if they do run out of funding to run the pallet shelters.

City Attorney Ford stated the area is zones as industrial and the pallet shelters are there on a temporary basis based on the emergency order of the County; noted they would

have to re-zone it, and it would depend on recommendations by Lila Omura and evaluations of what is needed.

Mayor Light recognized Councilmember Kaluderovic's leadership on the legislative side of the homeless issues and mentioned the funding is in big part to her dedication.

Councilmember Waller asked for clarification on how they count the vehicles and numbers of individuals potentially living in them.

City Attorney Ford explained how the count is done through LACAHSA and they are just relying on the downward trend.

More discussion followed regarding the data, functional zero, and the by-name list.

Councilmember Kaluderovic felt that the ACR program will help them stay proactive instead of reactive; felt everyone understands the state of the budgets and mentioned programs that are being cut, specifically federal programs; spoke about the housing vouchers being cut and will no longer be issued or allowed; stated that even though efforts have been made with homelessness they will begin to feel pressure from outside factors.

More discussion followed on the need to understand what is needed for the future, that grant funding is done annually and needs to be constantly lobbied for.

Councilmember Castle wondered, if state and federal funding were to be cut, could they make up the difference and what the magnitude of that would be to the City.

Kyle Johnson (via Zoom), District 1, commended the City staff and Council on reducing homeless numbers significantly; suggested reducing or changing zones codes to allow for more housing in the form of ADU's to be built and other dense housing to increase the housing supply and lower housing costs.

City Clerk Manzano reported no one else online and no eComments.

Motion by Councilmember Kaluderovic, seconded by Councilmember Waller, to receive and file.

Motion carried 5-0 by voice vote.

O. CITY MANAGER ITEMS

City Manager Witzansky mentioned there are City Council meetings the next two Tuesdays, dark on the 28th of October, meeting on November 4th, closed for Veteran's Day on Tuesday, November 11th, and back on the 18th of November.

Mayor Light asked when the smoke shop ordinance would return.

City Manager Witzansky stated it will return on the 21st of October and next week the parking regulation ordinance on Aviation and Artesia would be coming back to Council.

P. MAYOR AND COUNCIL ITEMS - None

Q. MAYOR AND COUNCIL REFERRALS TO STAFF

Councilmember Castle mentioned the Olympics and World Cup events will be coming and wanted to look at TOT, mentioned that LA, Manhattan Beach, and Hermosa all charge 14% and Redondo Beach only charges 12%, felt they should increase at least a percentage if not match the others.

City Manager Witzansky stated he and Finance Director Meyer are planning on bringing that item to November 4th agenda.

Discussion followed on whether it can be in place by World Cup, that a special election would be needed if Council was supportive, that the election would need to time up with the General Plan updates, and that no referral is needed since it was a budget motion.

Councilmember Kaluderovic requested a BRR for replacement schedules for PPE for Fire and auto pulse for all the vehicles.

Motion by Councilmember Obagi, seconded by Councilmember Behrendt, to have a discussion to rename the Herondo Park for Bill Brand, the exact name to be determined and alternative name to be suggested.

Motion carried 5-0 by voice vote.

Councilmember Obagi asked if RBPD can come back with an updated analysis of the crossing guard locations with the addition of the Aviation and Ford intersection for possible reallocation of crossing guards based on the data within two to three months.

City Manager Witzansky stated he will add it to the current analysis.

Motion by Councilmember Obagi to have a discussion by Council, in an effort to prevent new homelessness, to create an exception to the City's short-term rental ban for shared short-term rentals

Councilmember Behrendt was against tackling that item until staff finish their work and analysis of the situation.

City Manager Witzansky noted the letters have gone out; noted they are more reminders that the prohibition has been in effect for decades but that they are now taking a proactive approach to the situation instead of reactive; stated more information will be learned over the next few months and staff will be able to provide an update in the future.

More discussion followed. Motion died for lack of a second.

R. RECESS TO CLOSED SESSION - None

R.1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case:
Daniel Mendoza-Conner v. City of Redondo Beach, et al.
Case Number: 23TRCV00481

R.2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

Name of case:
Jeffrey Pailet v. City of Redondo Beach, and DOES 1 through 25, inclusive
Case Number: 25STCV22128

R.3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(1).

JAMS Arbitration Case Reference No. 5220006179 [Hon. Candace Cooper [Ret.]] Harry Stuver, et. al v. Redondo Beach Police Department and City of Redondo Beach

R.4. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director

PROPERTY:
230 Portofino Way, Redondo Beach, CA 90277
(a portion of APN: 7503-029-903)

NEGOTIATING PARTIES:
John Warner, Marine Mammal Care Center Los Angeles, a non-profit corporation

UNDER NEGOTIATION: Terms R.5. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director

PROPERTY:
230 Portofino Way, Redondo Beach, CA 90277
(a portion of APN: 7503-029-903)

NEGOTIATING PARTIES:
Allen Sanford, Sanford Ventures, Inc.

UNDER NEGOTIATION:
Terms

R.6. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Greg Kapovich, Waterfront & Economic Development Director
PROPERTY:
Portions of the Redondo Beach Marina Parking Lot, Seaside Lagoon, and California Surf Club
239 & 245 N. Harbor Drive, Redondo Beach, CA 90277
(portions of APN #s: 7503-029-900 and 7503-029-903)

NEGOTIATING PARTIES:
Allen Sanford, BeachLife Festival

UNDER NEGOTIATION:
Price and Terms

R.7. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - The Closed Session is authorized by the Government Code Sec. 54956.8.

AGENCY NEGOTIATORS:
Mike Witzansky, City Manager
Luke Smude, Assistant to the City Manager

PROPERTY:
3007 Vail Ave., Redondo Beach, CA 90278
(a portion of APN: 415-001-7931)
Parking Lot at the Corner of Felton Ln. and 182nd St., Redondo Beach, CA 90278 (APN: 415-803-3900)
715 Julia Ave, Redondo Beach, CA 90277
(portion of parcels APN: 750-702-0900 and APN: 750-702-1900)

1935 Manhattan Beach Blvd., Redondo Beach, CA 90278
(APN: 404-900-8903)
807 Inglewood Ave., Redondo Beach, CA 90278
(a Portion of APN: 408-302-4900)
200 N. Pacific Coast Highway, Redondo Beach, CA 90277
(a portion of APN: 750-500-9902)

NEGOTIATING PARTIES:
Dr. Nicole Wesley, Superintendent Redondo Beach Unified School District

UNDER NEGOTIATION:
Both Price and Terms

R.8. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED POTENTIAL LITIGATION - The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(4).

Two potential cases

S. RECONVENE TO OPEN SESSION - None

T. ADJOURNMENT – 10:14 P.M.

T.1. ADJOURN IN MEMORY OF MARIE KASPARIAN MOTHER OF CITY EMPLOYEE VICKY KASPARIAN

Motion by Councilmember Waller, seconded by Councilmember Castle, to adjourn the meeting in memory of Marie Kasparian.

Motion carried 5-0 by voice vote.

The next meeting of the City Council of the City of Redondo Beach will be an Adjourned Regular meeting to be held at 4:30 p.m. (Closed Session) and a Regular meeting to be held at 6:00 p.m. (Open Session) on Tuesday, October 14, 2025, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California
Motion carried 5-0 by voice vote.

Respectfully submitted:

Eleanor Manzano, CMC
City Clerk

Administrative Report

H.4., **File #** 25-1293 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

PAYROLL DEMANDS
CHECKS 30415-30431 IN THE AMOUNT OF $29,827.14, PD. 10/10/25
DIRECT DEPOSIT 301722-302347 IN THE AMOUNT OF $2,328,971.17, PD. 10/10/25
EFT/ACH $9,065.19, PD. 9/26/25 (PP2520)
EFT/ACH $473,250.57, PD. 10/20/25 (PP2520)

ACCOUNTS PAYABLE DEMANDS
CHECKS 121841-122151 IN THE AMOUNT OF $2,884,676.75

EXECUTIVE SUMMARY

Approval of Payroll and Accounts Payable

ATTACHMENTS

- 10212025_RECOMMENDATION_TO_APPROVE
- 10212025_VENDOR_INVOICE_LIST

RECOMMENDATION TO APPROVE
PAYROLL AND ACCOUNTS PAYABLE
COUNCIL MEETING OCTOBER 21, 2025

a. Payroll Demands

- **Checks 30415-30431, $29,827.14, Pd.10/10/25**
- **Direct Deposit 301722-302347, $2,328,971.17, Pd.10/10/25**
- **EFT/ACH $9,065.19, Pd. 9/26/25 (PP2520)**
- **EFT/ACH $473,250.57, Pd. 10/20/25 (PP2520)**

b. Accounts Payable Demands

- **Checks 121841-122151, $2,884,676.75**

I hereby approve and authorize for payment the above demands.

Mike Witzansky
City Manager

CITY OF REDONDO BEACH

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
12675 #1 ALL SAFE & SECURE										
9-25-CRB		09/30/2025	10328389	10212025	121841	180.00	10/13/2025	INV	PD	FINGERPRINTS AUGUST 2025
14484 2203-2205 MARSHALLFIELD LANE LLC										
E2024-2131		09/29/2025	10328327	10212025	121842	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE E2024-
E2024-2132		09/29/2025	10328328	10212025	121842	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE E2024-
						650.00				
8892 3V SIGNS & GRAPHICS, LLC.										
15929		10/01/2025	10328579	10212025	121843	165.38	10/07/2025	INV	PD	CONSTRUCTION SIGNS
5556 911 VEHICLE										
11970	7072	09/19/2025	10328573	10212025	121844	26,311.26	10/13/2025	INV	PD	PARTS AND LABOR TO UPGRAD
15018 AGILE BRIDGE CLUB										
083025		09/26/2025	10328297	10212025	121845	964.60	09/26/2025	INV	PD	083025 AUGUST2025 AGILE S
15327 AHN, SARA										
185881		10/02/2025	10328479	10212025	121846	314.15	10/02/2025	INV	PD	REFUND 185881 7REC0105-07
8759 ALAN'S LAWNMOWER & GARDEN CENTER										
102925		09/22/2025	10328128	10212025	121847	346.54	10/01/2025	INV	PD	LANDSCAPE PARTS FOR PARKS
97409	7128	09/26/2025	10328358	10212025	121847	30,363.19	10/01/2025	INV	PD	REPLACEMENTS OF UNITS 296
						30,709.73				
12753 ALESHIRE & WYNDER LLP										
99171		09/22/2025	10328988	10212025	121848	373.75	10/13/2025	INV	PD	8/25 SB-9 Legal Fees
12747 ALL CITY MANAGEMENT SERVICES INC										
103324	7113	09/17/2025	10328805	10212025	121849	6,832.27	10/13/2025	INV	PD	08/31/2025 - 09/13/2025 C
103668	7113	10/01/2025	10328815	10212025	121849	6,975.95	10/13/2025	INV	PD	09/14/2025 - 09/27/2025 C
						13,808.22				
11750 ALLIED UNIVERSAL SECURITY SERVICES										
179093		10/10/2025	10328938	10212025	121850	1,138.14	10/10/2025	INV	PD	USHER SERVICES FOR MITHI
144 AMERICAN CITY PEST CONTROL INC.										
PEST-FAC 09/25		09/30/2025	10328729	10212025	121851	877.00	10/30/2025	INV	PD	PEST-FAC 09/25
PEST-HARBOR 09/25		09/30/2025	10328733	10212025	121851	601.00	10/30/2025	INV	PD	PEST-HARBOR 09/25
						1,478.00				
12924 AMERICAN GUARD SERVICES INC										

CITY OF REDONDO BEACH

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
INV175070	7060	10/10/2025	10328896	10212025	121852	15,884.38	10/10/2025	INV	PD	Sept 2025 American Guard
176 AMERICAN TEXTILE MAINTENANCE COMPANY										
21303132	7019	09/19/2025	10328504	10212025	121853	267.23	10/09/2025	INV	PD	JAIL FACILITY LINEN SERVI
21305093	7019	09/23/2025	10328506	10212025	121853	279.27	10/09/2025	INV	PD	JAIL FACILITY LINEN SERVI
21307237	7019	09/26/2025	10328507	10212025	121853	281.74	10/09/2025	INV	PD	JAIL FACILITY LINEN SERVI
21309265	7019	09/30/2025	10328508	10212025	121853	279.27	10/09/2025	INV	PD	JAIL FACILITY LINEN SERVI
21311427	7019	10/03/2025	10328509	10212025	121853	283.99	10/09/2025	INV	PD	JAIL FACILITY LINEN SERVI
21313401	7019	10/07/2025	10328575	10212025	121853	275.53	10/09/2025	INV	PD	JAIL FACILITY LINEN SERVI
						1,667.03				
11606 ARCHITERRA, INC.										
34346	7105	09/30/2025	10328871	10212025	121854	472.50	10/13/2025	INV	PD	SCE ROW WEST OF PCH LANDS
34347	7105	09/30/2025	10328872	10212025	121854	7,758.00	10/13/2025	INV	PD	SCE ROW WEST OF PCH LANDS
34348	7105	09/30/2025	10328873	10212025	121854	405.00	10/13/2025	INV	PD	SCE ROW WEST OF PCH LANDS
						8,635.50				
11925 ARDURRA GROUP, INC.										
173312	6938	09/25/2025	10328822	10212025	121855	50,018.50	10/13/2025	INV	PD	CONSTRUCTION MANAGEMENT R
13109 ARROYO BACKGROUND INVESTIGATIONS										
3778	6549	09/19/2025	10328547	10212025	121856	1,500.00	10/07/2025	INV	PD	BACKGROUND N FLORES ADMIN
3786	6549	09/29/2025	10328549	10212025	121856	1,500.00	10/07/2025	INV	PD	BACKGROUND A BATTY PSS
						3,000.00				
13694 ARVANITES, REBECCA										
184881		09/26/2025	10328294	10212025	121857	100.00	09/26/2025	INV	PD	REFUND 184881 2YPG1106-01
15201 ASK DEVELOPMENT LLC										
2217BATAAN-REFUND		09/26/2025	10328320	10212025	121858	3,000.00	09/26/2025	INV	PD	DEMO DEPOSIT REFUND FOR 2
15139 AT&T MOBILITY										
X10042025		09/26/2025	10328606	10212025	121859	120.72	10/13/2025	INV	PD	FIRSTNET MOBILE HOTSPOT
8029 ATHENS SERVICES										
20264336	7058	10/01/2025	10328865	10212025	121860	11,106.04	10/15/2025	INV	PD	PIER COMPACTOR ROLL-OFF S
20264369	7058	10/01/2025	10328864	10212025	121860	1,993.36	10/15/2025	INV	PD	PIER COMPACTOR ROLL-OFF S
						13,099.40				
291 BAKER & TAYLOR										
2039269917		09/16/2025	10328639	10212025	121861	473.48	10/16/2025	INV	PD	BOOKS
2039273974		09/12/2025	10328634	10212025	121861	167.67	10/12/2025	INV	PD	BOOKS
2039274055		09/15/2025	10328638	10212025	121861	80.13	10/15/2025	INV	PD	BOOKS
2039276862		09/12/2025	10328635	10212025	121861	56.30	10/12/2025	INV	PD	BOOKS
2039281316		09/30/2025	10328641	10212025	121861	785.63	10/30/2025	INV	PD	BOOKS
2039282317		09/18/2025	10328644	10212025	121861	20.10	10/18/2025	INV	PD	BOOK

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
2039286156		10/02/2025	10328642	10212025	121861	328.92	11/01/2025	INV	PD	BOOKS
H73341590		09/08/2025	10328633	10212025	121861	54.28	10/08/2025	INV	PD	AUDIOVISUAL
H73361610		09/13/2025	10328636	10212025	121861	74.04	10/13/2025	INV	PD	AUDIOVISUAL
H73366460		09/15/2025	10328637	10212025	121861	64.95	10/15/2025	INV	PD	AUDIOVISUAL
H73402870		09/25/2025	10328645	10212025	121861	24.69	10/25/2025	INV	PD	AUDIOVISUAL
						2,130.19				
15321 BALASUBRAMANIAN, KARTHIK										
E2023-2041		09/16/2025	10328331	10212025	121862	3,000.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE E2023-
E2023-2042		09/16/2025	10328332	10212025	121862	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE E2023-
						3,325.00				
15342 BAYOT, MARY ANN										
185988		10/02/2025	10328470	10212025	121863	200.00	10/02/2025	INV	PD	REFUND 185988 AV RETURN D
6328 BAYSIDE MEDICAL CENTER										
00187940		09/21/2025	10328501	10212025	121864	3,330.00	10/09/2025	INV	PD	08/2025 Inmate Medical Cl
5439 BEAR CONTRACTORS INC.										
69418		10/01/2025	10328775	10212025	121865	150.00	11/01/2025	INV	PD	MAIN LIBRARY ALARM MONITO
69423		10/01/2025	10328777	10212025	121865	150.00	11/01/2025	INV	PD	1922 ARTESIA BL ALARM MON
69426		10/01/2025	10328776	10212025	121865	150.00	11/01/2025	INV	PD	415 DIAMOND ST ALARM MONI
69428		10/01/2025	10328779	10212025	121865	150.00	11/01/2025	INV	PD	280 MARINA WAY ALARM MONI
69429		10/01/2025	10328774	10212025	121865	150.00	11/01/2025	INV	PD	HISTORICAL MUSEUM ALARM M
69683		10/01/2025	10328778	10212025	121865	195.00	11/01/2025	INV	PD	2000 ARTESIA BL ALARM MON
69910		10/01/2025	10328782	10212025	121865	255.00	11/01/2025	INV	PD	101 W TORRANCE BL ALARM M
						1,200.00				
384 BILL'S SOUND SYSTEMS, INC.										
45537		10/10/2025	10328911	10212025	121866	995.00	10/10/2025	INV	PD	RBTC Fire Alarm Inspectio
46619		08/29/2025	10328450	10212025	121866	504.00	09/29/2025	INV	PD	FS#3 REPLACE STANDBY BATT
46667		09/18/2025	10328455	10212025	121866	650.00	10/18/2025	INV	PD	FIRE ALARM INSPECTION/TES
46668		09/18/2025	10328454	10212025	121866	542.00	10/18/2025	INV	PD	FIRE ALARM INSPECTION/TES
46779		10/09/2025	10328839	10212025	121866	240.00	10/09/2025	INV	PD	AV OCTNOV DEC QUARTERLY B
						2,931.00				
11059 BLACKSTONE PUBLISHING										
2211341		09/18/2025	10328629	10212025	121867	175.00	10/18/2025	INV	PD	AUDIOVISUAL
2212436		09/29/2025	10328630	10212025	121867	30.25	10/29/2025	INV	PD	AUDIOVISUAL
2212461		09/29/2025	10328631	10212025	121867	58.28	10/29/2025	INV	PD	AUDIOVISUAL
2212875		10/01/2025	10328627	10212025	121867	515.23	10/31/2025	INV	PD	AUDIOVISUAL
2213126		10/03/2025	10328628	10212025	121867	63.80	11/02/2025	INV	PD	AUDIOVISUAL
						842.56				
3121 BLUE DIAMOND										
4310458		09/20/2025	10328114	10212025	121868	771.20	10/10/2025	INV	PD	EMULSION BUCKETS AND SHEE
4329634		09/29/2025	10328427	10212025	121868	2,887.76	10/29/2025	INV	PD	SHEET ASPHALT, AC FINE
4337962		09/30/2025	10328532	10212025	121868	240.27	10/30/2025	INV	PD	SHEET ASPHALT

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
4345088		10/06/2025	10328800	10212025	121868	110.63	11/10/2025	INV	PD	SHEET ASPHLAT
						4,009.86				
411 BORDEN DECAL COMPANY										
0096200		09/30/2025	10328692	10212025	121869	1,438.99	10/07/2025	INV	PD	PARKING METER PERMIT DECA
0096201		09/30/2025	10328695	10212025	121869	2,250.47	10/07/2025	INV	PD	PARKING PERMIT DECALS/VAL
0096202		09/30/2025	10328696	10212025	121869	611.69	10/07/2025	INV	PD	OVERSIZE VEHICLE PERMIT D
						4,301.15				
14340 BOWMAN INFRASTRUCTURE ENGINEERS LTD										
440054-01-001.2	7089	05/31/2025	10328269	10212025	121870	7,840.00	10/13/2025	INV	PD	PLAN CHECKAND CONSULTING
4763 BRENNTAG PACIFIC INC										
BPI537791	7125	08/01/2025	10328307	10212025	121871	3,813.16	08/31/2025	INV	PD	PURCHASE CHEMICALS FOR SE
BPI538773	7125	08/06/2025	10328308	10212025	121871	3,637.79	09/05/2025	INV	PD	PURCHASE CHEMICALS FOR SE
BPI541814	7125	08/19/2025	10328309	10212025	121871	3,923.55	09/18/2025	INV	PD	PURCHASE CHEMICALS FOR SE
BPI542089	7125	08/20/2025	10328311	10212025	121871	3,977.44	09/19/2025	INV	PD	PURCHASE CHEMICALS FOR SE
BPI542950	7125	08/22/2025	10328312	10212025	121871	2,414.25	09/21/2025	INV	PD	PURCHASE CHEMICALS FOR SE
BPI543914	7125	08/27/2025	10328310	10212025	121871	4,125.75	09/26/2025	INV	PD	PURCHASE CHEMICALS FOR SE
BPI544990	7125	08/29/2025	10328313	10212025	121871	3,705.11	09/28/2025	INV	PD	PURCHASE CHEMICALS FOR SE
						25,597.05				
15014 BURRO CANYON										
3607		09/15/2025	10328788	10212025	121872	80.00	10/15/2025	INV	PD	RANGE FEES 09/15/2025
4075 CALIFA GROUP										
8748		09/30/2025	10328632	10212025	121873	196.98	10/30/2025	INV	PD	ALA DIGITAL REFERENCE
7067 CALIFORNIA BUILDING STANDARDS COMMISSION										
third qtr fees		10/01/2025	10328581	10212025	121874	1,144.49	10/07/2025	INV	PD	THIRD QUATER BSASRF
577 CALIFORNIA WATER SERVICE										
0125637138-090925		09/09/2025	10328127	10212025	121875	1,275.21	09/29/2025	INV	PD	FISHERMANS WHARF 8/8-9/30
2211933964-090925		09/09/2025	10328126	10212025	121875	7,607.77	09/29/2025	INV	PD	180 HARBOR DR., RED LAGN
2754759120-090925		09/09/2025	10328146	10212025	121875	8,643.70	09/29/2025	INV	PD	MANHATTAN BEACH, ARTESIA,
4829034224-093025		09/30/2025	10328749	10212025	121875	206.06	10/20/2025	INV	PD	230 PORTOFINO WAY 8/8-10/
6679269167-091625		09/16/2025	10328562	10212025	121875	5,107.37	10/06/2025	INV	PD	116 YACHT CLUB WAY, 137 I
9968051525-091925		09/19/2025	10328568	10212025	121875	3,356.55	10/08/2025	INV	PD	PORTOFINO WAY, MARINA WAY
						26,196.66				
12923 CAM PROPERTY SERVICES										
121630	7101	10/10/2025	10328932	10212025	121876	26,930.28	10/10/2025	INV	PD	CAM Property Services sep
11850 CANNON										
93149	6262	09/25/2025	10328265	10212025	121877	255.62	10/13/2025	INV	PD	MBB RESURFACING CONSTRUCT

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15028 CANON USA INC										
6013178931	6916	09/23/2025	10328124	10212025	121878	10.12	09/23/2025	INV	PD	PER PAGE COPY CHARGES FOR
620 CASHIER-CDFA										
3RDQUARTERLY2025		10/06/2025	10328518	10212025	121879	1,220.00	10/06/2025	INV	PD	CDFA 3RDQUARTERLY2025 RB
10728 CASIMIRO, FERNANDO										
TRAIN0825		10/10/2025	10328876	10212025	121880	896.40	11/10/2025	INV	PD	FERNANDO CASIMIRO TRAININ
15020 CENGAGE LEARNING INC										
999101345419		09/12/2025	10328376	10212025	121881	130.01	10/12/2025	INV	PD	BOOKS
999101345420		09/12/2025	10328380	10212025	121881	163.75	10/12/2025	INV	PD	BOOKS
999101413940		09/18/2025	10328379	10212025	121881	86.40	10/18/2025	INV	PD	BOOKS
999101552911		10/03/2025	10328626	10212025	121881	171.20	11/02/2025	INV	PD	BOOKS
999101554150		10/03/2025	10328625	10212025	121881	58.44	11/02/2025	INV	PD	BOOKS
						609.80				
15333 CHAMBER OF COMMERCE										
185995		10/02/2025	10328420	10212025	121882	100.00	10/02/2025	INV	PD	REFUND 185995 SSL RETURN
13000 CHARTER COMMUNICATIONS										
187587301092125		09/21/2025	10328790	10212025	121883	149.99	10/13/2025	INV	PD	MONTHLY FEES ACCOUNT 1875
188420501092125		09/21/2025	10328786	10212025	121883	268.24	10/13/2025	INV	PD	MONTHLY FEES ANNEX ACCOUN
237747601100125		10/01/2025	10328813	10212025	121883	458.58	10/13/2025	INV	PD	MONTHLY FEES ACCOUNT 2377
						876.81				
15295 CHAVEZ, MARIA										
186559		10/01/2025	10328386	10212025	121884	400.00	10/01/2025	INV	PD	REFUND 186559 ANDERSON SE
14619 CHENFU, AGA										
185956		10/01/2025	10328384	10212025	121885	400.00	10/01/2025	INV	PD	REFUND 185956 WP RETURN D
13251 CHOICE MEDIATION										
73125		08/04/2025	10328990	10212025	121886	640.00	10/13/2025	INV	PD	7/25 RB Mediation Service
705 CITY OF REDONDO BEACH										
08292025		08/29/2025	10328496	10212025	121888	336.31	10/06/2025	INV	PD	PETTY CASH
09/21/2025		08/29/2025	10328304	10212025	121887	209,438.68	10/13/2025	INV	PD	WC 08/01/2025 - 08/29/202
						209,774.99				
709 CITY OF TORRANCE										
00020000009601-91525		09/15/2025	10328150	10212025	121889	55.10	10/16/2025	INV	PD	17300 HAWTHORNE BLVD 7/7-
00020000015775092925		09/29/2025	10328764	10212025	121889	55.10	10/30/2025	INV	PD	18140 HAWTHORNE BLVD 7/21
00020000015794092925		09/29/2025	10328763	10212025	121889	1,169.74	10/30/2025	INV	PD	17560 HAWTHORNE BLVD 7/21

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Torr water 7.21-9.22		10/10/2025	10328916	10212025	121889	250.82	10/10/2025	INV	PD	Torrance water 7.21-9.22
Torr yard 7.21-9.22		10/10/2025	10328922	10212025	121889	218.44	10/10/2025	INV	PD	Torr yard 7.21-9.22
Torrance 7.21-9.22		10/10/2025	10328913	10212025	121889	1,499.74	10/10/2025	INV	PD	Torrance IRR 7.21-9.22
						3,248.94				
12873 CJ CONCRETE CONSTRUCTION INC										
7174	6919	10/03/2025	10328617	10212025	121890	26,611.40	11/03/2025	INV	PD	CITYWIDE SIDEWALK REPLACE
725 CLEAN ENERGY										
CE12815573	7056	10/10/2025	10328909	10212025	121891	23,367.22	10/10/2025	INV	PD	Sept 2025 CNG FUEL FOR TR
14033 CLEARGOV										
2025-18229	7155	09/25/2025	10328674	10212025	121892	25,110.00	10/13/2025	INV	PD	CLEAR GOV CAPITAL BUDGETI
15012 CLEVELAND, JONATHAN										
153160		09/30/2025	10328417	10212025	121893	214.50	09/30/2025	INV	PD	REFUND 153160 1SUM0304-01
4810 COHEN, TODD										
FALL2025		10/06/2025	10328582	10212025	121894	5,687.50	10/06/2025	INV	PD	FALL2025 TODD TENNIS 2TEN
14916 COMMERCIAL BUILDING MANAGEMENT,										
70882	6638	09/01/2025	10328365	10212025	121895	11,968.47	10/01/2025	INV	PD	AUG '25 JANITORIAL SERVIC
70883	6638	09/01/2025	10328366	10212025	121896	649.50	10/01/2025	INV	PD	AUG '25 AVIATION PARK SAT
						12,617.97				
11863 COMMUNICATION STRATEGIES										
4049	7052	10/02/2025	10328441	10212025	121897	1,268.75	10/02/2025	INV	PD	PROVIDE TECH CONSULT SERV
10780 COMPANY NURSE, LLC										
42320		09/30/2025	10328390	10212025	121898	516.00	10/13/2025	INV	PD	COMPANY NURSE TRIAGE SERV
14586 CONCEPT SEATING GOVERNMENT										
13427	7094	09/19/2025	10328772	10212025	121899	4,301.75	10/19/2025	INV	PD	(2) OFFICE CHAIRS WATCH C
15348 CONLOGUE LAW LLP										
100125		09/16/2025	10328953	10212025	121900	50,000.00	10/13/2025	INV	PD	10/25 K. Alexander Settle
3648 COUNTY OF L.A. DEPT. OF PUBLIC WORKS										
25090800952		09/08/2025	10328266	10212025	121901	29.04	10/13/2025	INV	PD	KNOB COAST DRAIN ESPLANAD
15340 CRAIG, DESSA										
185992		10/02/2025	10328449	10212025	121902	400.00	10/02/2025	INV	PD	REFUND 185992 SSL RETURN

CITY OF REDONDO BEACH

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8372 CULLIGAN OF SANTA ANA										
2012837		09/30/2025	10328535	10212025	121903	34.52	10/13/2025	INV	PD	ST3 WATER COOLER/REVERSE
2012893		09/30/2025	10328762	10212025	121903	155.00	10/20/2025	INV	PD	10/2025 WATER SERVICE DIS
2013086		09/30/2025	10328765	10212025	121903	94.22	10/20/2025	INV	PD	10/2025 WATER SERVICE INV
						283.74				
8043 D & R OFFICE WORKS INC										
137176		09/17/2025	10328650	10212025	121905	2,145.36	10/13/2025	INV	PD	6 GUEST SEATS FOR HR LOBB
137220	7051	09/23/2025	10328614	10212025	121904	8,986.19	10/21/2025	INV	PD	OFFICE FURNITURE CITY CLE
137220-1		09/23/2025	10328615	10212025	121904	8.51	10/21/2025	INV	PD	OFFICE FURNITURE CITY CLE
137373		09/16/2025	10328811	10212025	121904	3,272.49	11/16/2025	INV	PD	OFFICE FURNITURE-CITY HAL
						14,412.55				
8839 DANCE 1 STUDIO										
DI-005		09/30/2025	10328346	10212025	121906	717.50	09/30/2025	INV	PD	D1-005 DANCE1 FALL2025 2Y
919 DANIELS TIRE SERVICE										
200550063		09/22/2025	10328464	10212025	121907	849.42	10/10/2025	INV	PD	STOCK TIRES
200550677		09/24/2025	10328466	10212025	121907	62.11	10/24/2025	INV	PD	UNIT 297 TIRES
						911.53				
927 DATA TICKET, INC.										
082025PERMI		09/24/2025	10328700	10212025	121908	11.25	10/07/2025	INV	PD	08/2025 GUEST PERMITS
092025PERMI		10/08/2025	10328701	10212025	121908	21.25	10/21/2025	INV	PD	09/2025 GUEST PERMITS
183698		09/24/2025	10328702	10212025	121908	275.00	10/07/2025	INV	PD	08/2025 ADMIN CITES
184871		10/08/2025	10328704	10212025	121908	275.00	10/08/2025	INV	PD	09/2025 ADMIN CITES
						582.50				
5251 DAVID EVANS & ASSOCIATES, INC.										
601881	6370	09/25/2025	10328817	10212025	121909	3,309.18	10/13/2025	INV	PD	CURB RAMP DESIGN SERVICES
14018 DEL CONTE, CATERINA										
185980		10/01/2025	10328388	10212025	121910	200.00	10/01/2025	INV	PD	REFUND 185980 WP RETURN D
956 DELTA DENTAL										
BE006743610		10/01/2025	10328492	10212025	121911	33,338.84	10/13/2025	INV	PD	DENTAL PPO ACTIVE, RETIRE
9132 DELTA DENTAL INSURANCE COMPANY										
BE006742796		10/01/2025	10328490	10212025	121912	1,838.95	10/13/2025	INV	PD	DENTAL HMO ACTIVE OCTOBER
BE006742818		10/01/2025	10328491	10212025	121913	23.76	10/13/2025	INV	PD	DENTAL HMO RETIREE OCTOBE
						1,862.71				
966 DEPARTMENT OF CONSERVATION										
THIRD QTR SMIP FEES		10/01/2025	10328584	10212025	121914	7,821.17	10/07/2025	INV	PD	THIRD QTR SMIP FEES

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12283 DEVIL MOUNTAIN WHOLESALE NURSERY										
INV593494		09/30/2025	10328421	10212025	121915	961.28	10/30/2025	INV	PD	PLANTS FOR PARKS
11884 DIAMOND ENVIRONMENTAL SERVICES LP										
0006477239		09/22/2025	10328985	10212025	121916	715.10	10/13/2025	INV	PD	Pallet Shelter Power Pole
986 DICKERT, RICHARD										
DICKERT102025		10/06/2025	10328488	10212025	121917	120.00	10/13/2025	INV	PD	MONTHLY RAINFALL REPORTS
15308 DIGIACOMO, JOAN										
184949		09/30/2025	10328339	10212025	121918	25.00	09/30/2025	INV	PD	REFUND 184949 AV MEMBERSH
998 DIVE N SURF										
2800		09/30/2025	10328570	10212025	121919	175.60	10/13/2025	INV	PD	SCBA CYLINDER AIR REFILLS
15357 DORAN-PHAN, KATHY										
187861		10/08/2025	10328658	10212025	121920	400.00	10/08/2025	INV	PD	REFUND 187861 AV RETURN D
15296 DOSHI, CHIRAG										
186560		10/01/2025	10328385	10212025	121921	400.00	10/01/2025	INV	PD	REFUND 186560 ANDERSONPAR
14885 DOSSETT, KIRSTEN										
WLLEDOSSETT		10/07/2025	10328555	10212025	121922	163.40	10/07/2025	INV	PD	PER DIEM FOR WLLE CONFERE
1029 DUKE'S ROOT CONTROL, INC										
36321	7064	08/27/2025	10328613	10212025	121923	199,999.00	09/27/2025	INV	PD	SEWER ROOT CONTROL
5852 DUMKE, ANNE										
ANNEDUMKE91725		09/17/2025	10328540	10212025	121924	480.00	10/07/2025	INV	PD	09/2025 CITATION APPEAL H
1055 EASY READER										
RD25-059	7031	09/18/2025	10328652	10212025	121925	232.50	10/21/2025	INV	PD	LEGAL ADS PUBLISHING
RD25-061	7031	10/04/2025	10328902	10212025	121925	142.50	10/13/2025	INV	PD	LEGAL ADS PUBLISHING
RD25-062	7031	10/04/2025	10328915	10212025	121925	100.00	10/13/2025	INV	PD	LEGAL ADS PUBLISHING
RD25-063	7031	10/04/2025	10328917	10212025	121925	195.00	10/13/2025	INV	PD	LEGAL ADS PUBLISHING
RD25-064	7031	10/04/2025	10328918	10212025	121925	225.00	10/13/2025	INV	PD	LEGAL ADS PUBLISHING
RD25-065	7031	10/04/2025	10328929	10212025	121925	232.50	10/13/2025	INV	PD	LEGAL ADS PUBLISHING
						1,127.50				
1062 ECONOLITE CONTROL PRODUCTS INC										
INV233981	7144	08/28/2025	10328848	10212025	121926	5,903.22	09/27/2025	INV	PD	DETECTION CAMERA FOR TORR
7959 EJ WARD, INC										

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
EJ-INV-2338		08/29/2025	10328322	10212025	121927	2,207.85	09/28/2025	INV	PD	STOCK FUEL SYSTEMS FOR PD
1085 ELLIS ENVIRONMENTAL MANAGEMENT, INC.										
25-374.01		08/27/2025	10328336	10212025	121928	4,609.00	10/13/2025	INV	PD	JOE'S CRAB SHACK PRE-DEMO
9625 EMPIRE PIPE CLEANING & EQUIPMENT, INC.										
12749	6636	09/30/2025	10328598	10212025	121929	56,033.25	10/30/2025	INV	PD	SEWER LINE CLEANING AND R
1110 ENTENMANN-ROVIN COMPANY										
0190694-IN		09/16/2025	10328640	10212025	121930	124.30	10/13/2025	INV	PD	RESERVE PINS - TWO RETIRE
0190886-IN		09/26/2025	10328643	10212025	121930	76.94	10/13/2025	INV	PD	BROKEN OFFICER BADGE - RE
						201.24				
3655 EQUIFAX INFORMATION SERVICES, LLC										
2067558922		09/07/2025	10328791	10212025	121931	128.00	10/07/2025	INV	PD	MONTHLY CREDIT REPORTING
15346 ESPSTEIN, BARBARA										
185979		10/02/2025	10328474	10212025	121932	200.00	10/02/2025	INV	PD	REFUND 185979 WP RETURN D
1133 ESRI INC.										
900095804	7122	09/25/2025	10328263	10212025	121933	14,285.00	10/13/2025	INV	PD	ESRI ARCGIS DESKTOP RENEW
900102687	7121	09/25/2025	10328796	10212025	121933	10,160.00	10/25/2025	INV	PD	ArcGIS SOFTWARE ANNUAL LI
						24,445.00				
15337 ESTRERA, JUSTIN										
186561		10/02/2025	10328446	10212025	121934	400.00	10/02/2025	INV	PD	REFUND 186561 ANDERSON SE
9987 EXCELSIOR ELEVATOR										
37491	6361	09/05/2025	10328459	10212025	121935	1,095.00	10/05/2025	INV	PD	SEPTEMBER '25 ELEVATOR MA
37589	6361	10/02/2025	10328458	10212025	121935	450.00	11/02/2025	INV	PD	RB PIER #1 TROUBLECALL
						1,545.00				
11556 FAILSAFE TESTING LLC										
14332		07/21/2025	10328665	10212025	121936	2,500.00	10/13/2025	INV	PD	LADDER TESTING T61 ANNUAL
15328 FEDOTOV, MARYNA										
186704		10/02/2025	10328480	10212025	121937	160.00	10/02/2025	INV	PD	REFUND 186704 2YPG1111-01
10479 FLYING LION, INC.										
2624	6524	10/06/2025	10328760	10212025	121938	1,304.99	11/05/2025	INV	PD	10/2025 DRONE SERVICES AN
10825 FRANCO AUTO UPHOLSTERY										

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
17577		09/22/2025	10328134	10212025	121939	175.00	10/22/2025	INV	PD	UNIT 107 REPAIR ONE SEAT
10191 FRONTIER										
2091504212-09282025		10/09/2025	10328753	10212025	121940	78.61	10/09/2025	INV	PD	RBPD SAL 4 WIRE SEPT 2025
2996454-2091885137		10/02/2025	10328440	10212025	121940	29,964.54	10/02/2025	INV	PD	acc3103795416 Billed to M
						30,043.15				
15312 FUHRMAN, NICOLE										
185823		09/26/2025	10328286	10212025	121941	136.00	09/26/2025	INV	PD	REFUND 185823 2TEN116-01
15352 GABRIEL FRAUSTO UNDERGROUND CONSTRUCTION INC										
E2024-090		10/01/2025	10328503	10212025	121942	1,347.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE E2024-
1289 GALLS INCORPORATED										
032571839	6733	09/17/2025	10328676	10212025	121943	738.66	10/13/2025	INV	PD	2 SETS OF NEW UNIFORMS FO
032571840	6733	09/17/2025	10328677	10212025	121943	41.00	10/13/2025	INV	PD	2 SETS OF NEW UNIFORMS FO
032615926	6733	09/22/2025	10328678	10212025	121943	147.34	10/13/2025	INV	PD	2 SETS OF NEW UNIFORMS FO
032623154	6733	09/23/2025	10328680	10212025	121943	606.58	10/13/2025	INV	PD	2 SETS OF NEW UNIFORMS FO
032623964	6733	09/23/2025	10328681	10212025	121943	168.28	10/13/2025	INV	PD	2 SETS OF NEW UNIFORMS FO
032626700	6733	09/23/2025	10328682	10212025	121943	231.79	10/13/2025	INV	PD	2 SETS OF NEW UNIFORMS FO
032636880	6733	09/24/2025	10328679	10212025	121943	149.03	10/13/2025	INV	PD	2 SETS OF NEW UNIFORMS FO
032641385		09/24/2025	10328675	10212025	121943	16.27	10/13/2025	INV	PD	UNIFORM PATCH - YANG
032768008		10/07/2025	10328853	10212025	121943	226.15	10/13/2025	INV	PD	UNIFORM BOOTS - DODIER
						2,325.10				
12982 GARCIA, GERARDO										
TRAIN0825		10/10/2025	10328875	10212025	121944	896.40	11/10/2025	INV	PD	GERARDO GARCIA TRAINING/T
15350 GARCIA, GILBERTO										
2501030		09/24/2025	10328486	10212025	121945	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE PERMIT
15199 GARLOCK, MARK										
PSA SEPTEMBER 2025		09/25/2025	10328494	10212025	121946	600.00	10/13/2025	INV	PD	PSA MUNICIPAL OSHA & INSP
1300 GAS COMPANY, THE										
14890493886-100125		10/01/2025	10328766	10212025	121947	162.59	10/21/2025	INV	PD	309 ESPLANADE 8/28-9/29/2
9598 GENERAL INDUSTRIAL TOOL AND SUPPLY										
3000762		08/11/2025	10328620	10212025	121948	426.00	09/10/2025	INV	PD	SAFETY VESTS FOR PIER 8/1
3000764		08/11/2025	10328622	10212025	121948	502.76	09/10/2025	INV	PD	PIER SAFETY RAIN JACKETS
3001554		09/05/2025	10328618	10212025	121948	95.49	10/05/2025	INV	PD	SAFETY VESTS FOR PIER 9/5
						1,024.25				
7023 GEOSYNTEC										
642304	5993	09/25/2025	10328264	10212025	121949	5,659.50	10/13/2025	INV	PD	FULTON PLAYFIELD PLANNING

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
650997A	6791	09/30/2025	10328394	10212025	121949	2,962.95	10/13/2025	INV	PD	ENVIRONMENTAL SUPPORT SER
650998	6791	09/25/2025	10328325	10212025	121949	585.75	10/13/2025	INV	PD	ENVIRONMENTAL SUPPORT SER
653074	5993	09/25/2025	10328414	10212025	121949	15,766.74	10/13/2025	INV	PD	FULTON PLAYFIELD PLANNING
						24,974.94				
15335 GIGUERE, CRISELDA										
186556		10/02/2025	10328444	10212025	121950	200.00	10/02/2025	INV	PD	REFUND 186556 AV RETURN D
15329 GIRL SCOUTS OF GREATER LOS ANGELES TROOP 6786										
185953		10/02/2025	10328482	10212025	121951	400.00	10/02/2025	INV	PD	REFUND 185953 AV RETURN D
11519 GLENN, DARYN										
WLLEGLENN		10/07/2025	10328560	10212025	121952	163.40	10/07/2025	INV	PD	PER DIEM FOR WLLE CONFERE
11637 GODINEZ, BRADLEY										
FIRE AUGUST 2025		08/01/2025	10328497	10212025	121953	746.25	10/13/2025	INV	PD	FIRE OUPV SIX-PACK CAPTAI
6345 GOLD COAST TOURS, INC.										
439762		09/26/2025	10328295	10212025	121954	1,452.00	09/26/2025	INV	PD	439762 SENIOR TRIP TO UNI
3706 GOLDEN STATE WATER										
77298524149		09/11/2025	10328123	10212025	121955	489.75	10/02/2025	INV	PD	16214 INGLEWOOD AVE IRR 8
9152 GOSERCO, INC.										
13067	7140	09/18/2025	10328783	10212025	121956	8,125.58	10/18/2025	INV	PD	1-YEAR EXTENDED WARRANTY
13760 GREEN STREET CENTER REDONDO BEACH										
202508-1		09/15/2025	10328832	10212025	121957	902.00	09/30/2025	INV	PD	AUGUST '25 CITY VEHICLE C
202509-1		10/01/2025	10328833	10212025	121957	976.00	10/16/2025	INV	PD	SEPTEMBER '25 CITY VEHICL
						1,878.00				
10677 GRIFFIN STRUCTURES, INC.										
SS-RBMFP-01	7130	09/25/2025	10328279	10212025	121958	9,736.40	09/25/2025	INV	PD	CONSULTANT SVCS FOR MEASU
SS-RBMFP-02	7130	09/25/2025	10328281	10212025	121958	47,187.20	09/25/2025	INV	PD	CONSULTANT SVCS FOR MEASU
						56,923.60				
13752 GUEVARA, MELISSA										
10082025		09/29/2025	10328767	10212025	121959	54.46	10/06/2025	INV	PD	MILEAGE FOR MUNIS CA USER
1416 HAAKER EQUIPMENT COMPANY										
INV17519		09/25/2025	10328428	10212025	121960	3,576.73	10/25/2025	INV	PD	UNIT 803-19 REPLACED HYDR
INV17521		09/25/2025	10328355	10212025	121960	756.17	10/25/2025	INV	PD	UNIT 805-19 PIER SCRUBBER
INV17529		09/25/2025	10328356	10212025	121960	1,769.35	10/25/2025	INV	PD	UNIT 805-19 PIER SCRUBBER
INV17534		09/25/2025	10328429	10212025	121960	841.06	10/25/2025	INV	PD	UNIT 803-19 REMOVE/REPSID

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
INV17535		09/25/2025	10328430	10212025	121960	4,626.27	10/25/2025	INV	PD	UNIT 803-19 REPLACED SQUE
						11,569.58				
15234 HANINK, TINA										
186554		10/01/2025	10328387	10212025	121961	400.00	10/01/2025	INV	PD	REFUND 186554 AV RETURN D
15324 HARRIE, STEVEN										
185985		10/02/2025	10328476	10212025	121962	600.00	10/02/2025	INV	PD	REFUND 185985 WP 3 BOOKIN
15325 HARVEY, BRENDA										
185986		10/02/2025	10328477	10212025	121963	200.00	10/02/2025	INV	PD	REFUND 185986 AV RETURN D
15311 HAUNG, CHUNGSSIEN										
185820		09/26/2025	10328285	10212025	121964	130.00	09/26/2025	INV	PD	REFUND 185820 2YPG1105-0
1453 HDL, COREN & CONE										
SIN054995		09/29/2025	10328493	10212025	121965	79.55	10/06/2025	INV	PD	AUDIT SERVICE - PROPERTY
15356 HEMENWAY, ALEX										
187860		10/08/2025	10328655	10212025	121966	200.00	10/08/2025	INV	PD	REFUND 187860 AV RETURN D
6750 HF & H CONSULTANTS, LLC										
9722485	6633	09/22/2025	10328163	10212025	121967	23,639.50	10/22/2025	INV	PD	2024 REVIEW 2ND AMENDMENT
8637 HI-WAY SAFETY, INC.										
169432		03/26/2025	10328321	10212025	121968	439.84	04/25/2025	INV	PD	SIGNS FOR PARKS (ORG INV.
13818 HOMES, THOMAS JAMES										
E2024-020		10/01/2025	10328423	10212025	121969	735.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE E2024-
15331 HORACEK, ROSALYN										
187470		10/08/2025	10328647	10212025	121970	200.00	10/08/2025	INV	PD	REFUND 187470 AV RETURN D
15011 HORN, TRACEY										
184886		09/26/2025	10328293	10212025	121971	280.00	09/26/2025	INV	PD	REFUND 184886 7REC0105-04
3760 IBARRA-ARMAS, KRISTY										
FALL2025		10/14/2025	10329040	10212025	121972	472.50	10/14/2025	INV	PD	FALL2025 05052025 BELLY &
12545 ICE MACHINE SALE AND SERVICE CO.										
0227362-IN		09/18/2025	10328149	10212025	121973	357.51	10/18/2025	INV	PD	ICE MACHINE REPAIR 9/11/2

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
12157 ILAND INTERNET SOLUTIONS CORPORATION										
71255668		09/25/2025	10328274	10212025	121974	134.95	09/25/2025	INV	PD	DATA CENTER DALPOD02 CTRT
12138 INSIGHT PUBLIC SECTOR SLED										
1101317467	7131	10/09/2025	10328818	10212025	121975	5,012.21	10/09/2025	INV	PD	ZEBRA AND CANON M260 SCAN
15257 INTERINSURANCE EXCHANGE OF THE AUTOMOBILE CLUB										
100625		10/06/2025	10328952	10212025	121976	1,602.65	10/13/2025	INV	PD	10/25 A. Palencia-Aragon
1619 INTERSTATE BATTERIES OF CALIF COAST, INC										
130115170		09/23/2025	10328368	10212025	121977	1,033.11	10/23/2025	INV	PD	STOCK BATTERIES
56958		09/29/2025	10328463	10212025	121977	328.31	10/29/2025	INV	PD	UNIT 200 STOCK BATTERIES
57013		10/03/2025	10328527	10212025	121977	270.87	11/02/2025	INV	PD	UNIT 652 MTX-49/H8 BATTER
						1,632.29				
15275 JCS SUPPLY INC										
00153019		08/21/2025	10328109	10212025	121978	1,127.70	09/20/2025	INV	PD	SAFETY HELMET & EARMUFFS
11296 JOE MAR POLYGRAPH & INVESTIGATION										
25-047-RBPD		09/22/2025	10328544	10212025	121979	250.00	10/07/2025	INV	PD	POLYGRAPH C ESPINOZA CROS
25-048-RBPD		09/22/2025	10328543	10212025	121979	250.00	10/07/2025	INV	PD	POLYGRAPH E CARVALHO RECR
						500.00				
15343 JOHNSON, ELIA										
185989		10/02/2025	10328471	10212025	121980	200.00	10/02/2025	INV	PD	REFUND 185989 AV RETURN D
3585 JONES, NANCY										
SEPTEMBER2025		09/30/2025	10328418	10212025	121981	2,205.00	09/30/2025	INV	PD	SEPTEMBER2025 FM MANAGER
15341 KAILAHI, SISIFAHINA										
185991		10/02/2025	10328469	10212025	121982	400.00	10/02/2025	INV	PD	REFUND 185991 SSL RETURN
15200 KASA CONSTRUCTION INC										
2	7066	09/25/2025	10328351	10212025	121983	343,547.55	10/13/2025	INV	PD	NRB BIKEPATH EXTENSION FE
1742 KEYSER MARSTON ASSOCIATES INC										
0040038	5219	09/30/2025	10328342	10212025	121984	7,612.50	09/30/2025	INV	PD	AFFORDABLE HOUSING CONSUL
15169 KHAYAT, MICKEL										
2502297		09/24/2025	10328284	10212025	121985	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE PERMIT
12897 KIM, GA HEE										

CITY OF REDONDO BEACH

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185982		10/01/2025	10328383	10212025	121986	200.00	10/01/2025	INV	PD	REFUND 185982 AV RETURN D
4943 KIMBALL MIDWEST										
103786748		09/26/2025	10328349	10212025	121987	226.79	10/26/2025	INV	PD	PAINT FOR SHOP
103796799		09/30/2025	10328528	10212025	121987	489.68	10/30/2025	INV	PD	LOCK NUT, CARBIDE CUTTERS
						716.47				
1749 KING HARBOR MARINE CENTER										
39734		08/28/2025	10328168	10212025	121988	1,195.43	09/27/2025	INV	PD	BOAT 808 MAINTENANCE/PART
39743		09/02/2025	10328167	10212025	121988	483.91	10/02/2025	INV	PD	BOAT 808 MAINTENANCE/PART
40271		09/11/2025	10328165	10212025	121988	1,750.00	10/11/2025	INV	PD	BOAT 808 MAINTENANCE
40303		09/29/2025	10328773	10212025	121988	930.11	10/13/2025	INV	PD	MEU BOAT MAINTENANCE
						4,359.45				
15339 KING, BETTY										
185977		10/02/2025	10328448	10212025	121989	400.00	10/02/2025	INV	PD	REFUND 185977 AV RETURN D
14134 KIS										
85132	7055	10/09/2025	10328754	10212025	121990	11,000.00	10/09/2025	INV	PD	REPLACEMENT JAIL CAMERAS
10449 KNOWBE4										
INV404741	7129	10/10/2025	10328850	10212025	121991	14,466.00	10/10/2025	INV	PD	KnowBe4 Security Awarenes
15307 KRETZ, NATALIE										
184930		09/26/2025	10328289	10212025	121992	310.00	09/26/2025	INV	PD	REFUND 184930 CANCEL AV R
8444 KRONOS INCORPORATED										
I10010027565		09/23/2025	10328574	10212025	121993	462.29	10/13/2025	INV	PD	TELESTAFF SOFTWARE HOSTIN
1807 L.N. CURTIS & SONS, INC.										
INV990313		09/17/2025	10328666	10212025	121994	1,066.26	10/13/2025	INV	PD	SMALL TOOLS - EWXT BATTER
INV994327		09/29/2025	10328667	10212025	121994	179.45	10/13/2025	INV	PD	SCBA EQUIPMENT
						1,245.71				
10899 LA UNIFORMS										
28842		09/03/2025	10328694	10212025	121995	33.44	10/09/2025	INV	PD	UNIFORM G FLORES JAIL
28843		09/03/2025	10328706	10212025	121995	138.75	10/09/2025	INV	PD	UNIFORM D SAUCEDO JAIL
28853		09/03/2025	10328707	10212025	121995	543.15	10/09/2025	INV	PD	UNIFORM J SALAZAR DISPATC
28900		09/05/2025	10328708	10212025	121995	138.75	10/09/2025	INV	PD	UNIFORM V RICH DISPATCH
28952		09/08/2025	10328709	10212025	121995	138.75	10/09/2025	INV	PD	UNIFORM A LAKKEES DISPATC
28964		09/09/2025	10328710	10212025	121995	86.40	10/09/2025	INV	PD	UNFORM P CATANZARO ALTERA
28997		09/10/2025	10328711	10212025	121995	20.00	10/09/2025	INV	PD	UNIFORM M CASERMA ALTERAT
29013		09/11/2025	10328712	10212025	121995	158.65	10/09/2025	INV	PD	UNIFORM G PETERSON DISPAT
29040		09/12/2025	10328713	10212025	121995	469.44	10/09/2025	INV	PD	UNIFORM M COATES INVESTIG
29053		09/13/2025	10328714	10212025	121995	41.23	10/09/2025	INV	PD	UNIFORM L WALDSTEIN ALTER
29068		09/15/2025	10328715	10212025	121995	1,774.64	10/09/2025	INV	PD	UNIFORM R RAMSEY RECRUIT

CITY OF REDONDO BEACH

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29072		09/15/2025	10328716	10212025	121995	2,366.21	10/09/2025	INV	PD	UNIFORM C BARRY PRE SERVI
29075		09/15/2025	10328717	10212025	121995	58.38	10/09/2025	INV	PD	UNIFORM C FARRELL CROSSIN
29090		09/16/2025	10328719	10212025	121995	257.87	10/09/2025	INV	PD	UNIFORM D ARNOLD PATROL
29105		09/16/2025	10328721	10212025	121995	59.85	10/09/2025	INV	PD	UNIFORM J SUTTON ALTERATI
29120		09/17/2025	10328722	10212025	121995	18.00	10/09/2025	INV	PD	UNIFORM D WESTPHAL TRAFFI
29149		09/18/2025	10328723	10212025	121995	2,069.75	10/09/2025	INV	PD	UNIFORM M OLESIK RECRUIT
29153		09/18/2025	10328724	10212025	121995	530.24	10/09/2025	INV	PD	UNIFORM A CENICEROS INVES
29162		09/19/2025	10328725	10212025	121995	546.77	10/09/2025	INV	PD	UNIFORM J RUBIO CLASS A
29163		09/19/2025	10328726	10212025	121995	295.51	10/09/2025	INV	PD	UNIFORM A MONTEILH CLASS
29169		09/19/2025	10328727	10212025	121995	138.75	10/09/2025	INV	PD	UNIFORM M ANDERSON JAIL
29195		09/20/2025	10328728	10212025	121995	354.73	10/09/2025	INV	PD	UNIFORM A SANDOVAL CADET
29207		09/22/2025	10328730	10212025	121995	138.75	10/09/2025	INV	PD	UNIFORM M MARTINEZ DISPAT
29252		09/24/2025	10328731	10212025	121995	452.91	10/09/2025	INV	PD	UNIFORM L HARRIS PATROL
29253		09/24/2025	10328732	10212025	121995	744.96	10/09/2025	INV	PD	UNIFORM A CHAIRES PATROL
29263		09/24/2025	10328734	10212025	121995	413.27	10/09/2025	INV	PD	UNIFORM C BARRY PATROL
29283		09/25/2025	10328735	10212025	121995	198.34	10/09/2025	INV	PD	UNIFORM A DAVILA PATROL
29310		09/27/2025	10328736	10212025	121995	539.16	10/09/2025	INV	PD	UNIFORM E MENDEZ MSO
29319		09/29/2025	10328737	10212025	121995	1,002.89	10/09/2025	INV	PD	UNIFORM K HERNANDEZ PATRO
29355		09/30/2025	10328738	10212025	121995	6.00	10/09/2025	INV	PD	UNIFORM B NIMMONS ALTERAT
29357		09/30/2025	10328739	10212025	121995	145.47	10/09/2025	INV	PD	UNIFORM W COLANTONO PATRO
29359		09/30/2025	10328740	10212025	121995	160.85	10/09/2025	INV	PD	UNIFORM L EVELO INVESTIGA
29361		09/30/2025	10328741	10212025	121995	549.06	10/09/2025	INV	PD	UNIFORM K RUSTAMZADA INVE
						14,590.92				
15330 LAGUNA, MAKENZIE										
186785		10/02/2025	10328483	10212025	121996	261.00	10/02/2025	INV	PD	REFUND 186785 2TEN1100-04
5392 LAKIN TIRE WEST, INC.										
IN2041143		08/31/2025	10328117	10212025	121997	441.60	10/01/2025	INV	PD	PICK UP OLD USED TIRES FO
3766 LANGUAGE LINE SERVICES INC										
11722855		09/30/2025	10328500	10212025	121998	25.38	10/09/2025	INV	PD	Language Translation
9936 LARRY WALKER ASSOCIATES										
00531.05-10	6637	09/25/2025	10328305	10212025	121999	4,963.50	10/13/2025	INV	PD	NPDES SERVICES
14934 LAU, MELINDA										
2025-156-CC		09/21/2025	10328160	10212025	122000	765.00	10/21/2025	INV	PD	MEETING MINUTES FOR CC -
2025-158-TRANSCRIPT		09/23/2025	10328924	10212025	122000	255.00	10/13/2025	INV	PD	TRANSCRIPT REVIEW
2025-159-TRANSCRIPT		09/29/2025	10328399	10212025	122000	467.50	10/21/2025	INV	PD	TRANSCRIPT REVIEW
2025-161-TRANSCRIPT		09/30/2025	10328927	10212025	122000	382.50	10/13/2025	INV	PD	TRANSCRIPT REVIEW
2025-162-TRANSCRIPT		10/06/2025	10328621	10212025	122000	382.50	10/21/2025	INV	PD	TRANSCRIPT REVIEW/OVERSIG
						2,252.50				
15323 LAUREANO, CAROLINA										
185983		10/02/2025	10328475	10212025	122001	200.00	10/02/2025	INV	PD	REFUND 185983 WP RETURN D
9135 LAW OFFICES OF DAMIAN D. CAPOZZOLA										

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
20250900-1137 FY25		09/10/2025	10328977	10212025	122002	2,935.65	10/13/2025	INV	PD	3/25 - 6/25 Emerson-SixT
20250900-1137 FY26		09/10/2025	10328943	10212025	122002	7,680.70	10/13/2025	INV	PD	7/25 - 8/25 Emerson-SixT
						10,616.35				
4129 LAYNE CHRISTENSEN CO.										
3020629	7148	08/25/2025	10328852	10212025	122003	36,790.00	09/24/2025	INV	PD	WATER PUMP INSTALL SEASID
15338 LEANDRO, AMANDA										
185994		10/02/2025	10328447	10212025	122004	200.00	10/02/2025	INV	PD	REFUND 185994 WP RETURN D
15355 LEE, TRICIA										
187859		10/08/2025	10328656	10212025	122005	200.00	10/08/2025	INV	PD	REFUND 187859 AV RETURN D
11194 LEECH TISHMAN FUSCALDO & LAMPL INC.										
358995		10/02/2025	10328403	10212025	122006	1,105.00	10/02/2025	INV	PD	LEECH TISHMAN
359827		09/04/2025	10328964	10212025	122006	2,000.00	10/13/2025	INV	PD	8/25 General Legal Fees
359828		09/04/2025	10328963	10212025	122006	325.00	10/13/2025	INV	PD	8/25 J. Pailet EEOC Legal
359829		09/04/2025	10328950	10212025	122006	9,162.50	10/13/2025	INV	PD	8/25 D. Glenn Legal Fees
359830		09/04/2025	10328951	10212025	122006	6,681.97	10/13/2025	INV	PD	8/25 K. Deckers Legal Fee
359831		09/04/2025	10328962	10212025	122006	325.00	10/13/2025	INV	PD	8/25 General Advice & Cou
359832		09/04/2025	10328961	10212025	122006	162.50	10/13/2025	INV	PD	8/25 General Advice & Cou
359833		09/04/2025	10328960	10212025	122006	130.00	10/13/2025	INV	PD	8/25 RB POA PERB Case LA-
359834		09/04/2025	10328954	10212025	122006	1,339.75	10/13/2025	INV	PD	8/25 C. Garcia Legal Fees
						21,231.72				
3515 LEXIPOL LLC										
INVLEX11259341	7147	10/01/2025	10328758	10212025	122007	7,840.89	10/31/2025	INV	PD	ANNUAL FEE - LAW ENFORCEM
5953 LEXISNEXIS										
3096013949		09/30/2025	10328967	10212025	122008	1,474.00	10/13/2025	INV	PD	9/25 Monthly Library Char
8803 LEXISNEXIS RISK DATA MANAGEMENT										
1100208086		09/30/2025	10328768	10212025	122009	50.00	10/30/2025	INV	PD	09/2025 MONTHLY SUBSCRIPT
1887 LIFE ASSIST, INC.										
1639294		09/18/2025	10328687	10212025	122010	1,245.55	10/09/2025	INV	PD	PATROL GLOVES
1641851		09/29/2025	10328592	10212025	122010	4,449.05	10/13/2025	INV	PD	MEDICAL/PM AID SUPPLIES
						5,694.60				
12775 LINDE GAS & EQUIPMENT INC										
52141044		09/23/2025	10328672	10212025	122011	419.34	10/13/2025	INV	PD	SCBA CYLINDER RENTAL 8/20
52167460		09/23/2025	10328671	10212025	122011	809.63	10/13/2025	INV	PD	SCBA CYLINDER RENTAL 8/20
						1,228.97				
13252 LOCALITY MEDIA, INC.										

CITY OF REDONDO BEACH

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
6391	7154	10/03/2025	10328686	10212025	122012	22,333.24	10/13/2025	INV	PD	CONTRACT FEES FOR LOCALIT
1951 LOS ANGELES COUNTY SHERIFF'S DEPT										
260396BL		09/17/2025	10328502	10212025	122013	1,531.88	10/09/2025	INV	PD	08/2025 Inmate Food
1998 MAC'S LIFT GATE, INC.										
00080232		09/18/2025	10328116	10212025	122014	4,993.08	10/18/2025	INV	PD	UIT 257 INSTALL LIFT GATE
10274 MACKAY METERS, INC.										
1070304		09/04/2025	10328588	10212025	122015	2,175.95	10/07/2025	INV	PD	PARKING METER REPAIRS
1070331		08/31/2025	10328096	10212025	122015	134.00	10/13/2025	INV	PD	AUGUST METERS
1070505		09/29/2025	10328662	10212025	122015	1,171.53	10/07/2025	INV	PD	METER BEACON REPAIRS
1070560	7021	09/30/2025	10328699	10212025	122015	5,334.00	10/07/2025	INV	PD	09/2025 METER CONNECTIVIT
						8,815.48				
14777 MADE BY MEG										
8213199		09/22/2025	10328097	10212025	122016	263.40	09/22/2025	INV	PD	MADE BY MEG SENIOR LUNCH
8213200		09/22/2025	10328098	10212025	122016	263.40	09/22/2025	INV	PD	MADE BY MEG SENIOR LUNCH
8213201		09/22/2025	10328099	10212025	122016	329.25	09/22/2025	INV	PD	MADE BY MEG SENIOR LUNCH
8213202		09/22/2025	10328100	10212025	122016	263.40	09/22/2025	INV	PD	MADE BY MEG SENIOR LUNCH
						1,119.45				
15319 MAL CURTIS LLC										
2501985		09/24/2025	10328330	10212025	122017	325.00	10/13/2025	INV	PD	REFUND PERMIT FEE PERMIT
15318 MANHATTAN BEACH HOTEL TRS LLC										
M-V82SMBY	7158	10/09/2025	10328804	10212025	122018	6,500.00	10/13/2025	INV	PD	DEPOSIT ANNUAL TEAM BUILD
3963 MANHATTTAN BEACH TOYOTA										
688761TOR		09/29/2025	10328438	10212025	122019	56.43	10/29/2025	INV	PD	UNIT 407-17 HEADLIGHT CON
7847 MANNING & KASS, ELLROD, RAMIREZ, TRESTER LLP										
842198		09/09/2025	10328946	10212025	122020	82.50	10/13/2025	INV	PD	8/25 M. Rhoads Legal Fees
842203		09/09/2025	10328947	10212025	122020	2,250.50	10/13/2025	INV	PD	8/25 D. Padilla Legal Fee
						2,333.00				
15203 MARTIN, KRISTEN										
AUG&SEPT2025MILEAGE		10/09/2025	10328838	10212025	122021	89.53	10/09/2025	INV	PD	KMARTIN AUG&SEPTEMBER2025
2084 MCCUNE & HARBER, LLP.										
128818		05/31/2025	10328981	10212025	122022	1,487.00	10/13/2025	INV	PD	5/25 G. Mesch Legal Fees
128873		05/31/2025	10328982	10212025	122022	1,188.00	10/13/2025	INV	PD	5/25 M. Cobley Legal Fees
129805		07/31/2025	10328944	10212025	122022	2,036.93	10/13/2025	INV	PD	7/25 J. Shannon Legal Fee
129808		07/31/2025	10328945	10212025	122022	1,715.00	10/13/2025	INV	PD	7/25 L. Hardaway Legal Fe
130259		08/31/2025	10328934	10212025	122022	6,379.16	10/13/2025	INV	PD	8/25 K. Brimer Legal Fees

CITY OF REDONDO BEACH

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
130260		08/31/2025	10328948	10212025	122022	1,813.00	10/13/2025	INV	PD	8/25 L. Hardaway Legal Fe
130326		08/31/2025	10328935	10212025	122022	5,632.66	10/13/2025	INV	PD	8/25 K. Alexander Legal F
130327		08/31/2025	10328936	10212025	122022	4,884.00	10/13/2025	INV	PD	8/25 J. Koyanagi Legal Fe
130328		08/31/2025	10328939	10212025	122022	22.50	10/13/2025	INV	PD	8/25 M. Cobley Legal Fees
130329		08/31/2025	10328940	10212025	122022	692.30	10/13/2025	INV	PD	8/25 S. Counter Legal Fee
130330		08/31/2025	10328941	10212025	122022	7,048.01	10/13/2025	INV	PD	8/25 S. Dettelbach Legal
130527		08/31/2025	10328942	10212025	122022	5,064.00	10/13/2025	INV	PD	8/25 J. Shannon Legal Fee
						37,962.56				
2127 MICHAEL J ARNOLD & ASSOCIATES INC										
15087	6750	10/02/2025	10328432	10212025	122023	84.00	10/02/2025	INV	PD	CONSULTANT SVCS FOR STATE
15102	6750	10/02/2025	10328431	10212025	122023	3,500.00	10/02/2025	INV	PD	CONSULTANT SVCS FOR STATE
						3,584.00				
7177 MICHEL & ASSOCIATES, P.C.										
13982TS		08/29/2025	10328959	10212025	122024	1,032.50	10/13/2025	INV	PD	7/25 BBK Landfill Insuran
13993TS		08/29/2025	10328958	10212025	122024	206.50	10/13/2025	INV	PD	7/25 General Counsel
14039TS		09/25/2025	10328955	10212025	122024	59.00	10/13/2025	INV	PD	8/25 D. Laughton Legal Fe
14043TS/8752QB		09/25/2025	10328956	10212025	122024	2,578.44	10/13/2025	INV	PD	8/25 D. Mendoza-Conner Le
14047TS		09/25/2025	10328966	10212025	122024	767.00	10/13/2025	INV	PD	8/25 General Counsel
14070TS/8751QB		10/01/2025	10328957	10212025	122024	6,198.24	10/13/2025	INV	PD	8/25 Stuver Insurance Leg
						10,841.68				
14388 MILLER MENDEL INC										
10970	7025	09/30/2025	10328552	10212025	122025	27.00	10/07/2025	INV	PD	07/25-09/25 BACKGROUND CR
11196	7025	09/30/2025	10328551	10212025	122025	16.50	10/07/2025	INV	PD	07/25-09/25 BACKGROUND RE
11388	7025	09/30/2025	10328550	10212025	122025	180.00	10/07/2025	INV	PD	07/25-09/25 BACKGROUNDS S
11672	7025	09/30/2025	10328553	10212025	122025	5.28	10/07/2025	INV	PD	07/25-09/25 BACKGROUND IN
						228.78				
13349 MINUTEMAN PRESS REDONDO BEACH										
34625	6217	09/25/2025	10328278	10212025	122026	221.48	09/25/2025	INV	PD	Minuteman Press Printing
34626	6217	09/25/2025	10328276	10212025	122026	528.45	09/25/2025	INV	PD	Minuteman Press Printing
34627	6217	09/25/2025	10328277	10212025	122026	535.03	09/25/2025	INV	PD	Minuteman Press Printing
						1,284.96				
2209 MUNICIPAL MANAGEMENT ASSOCIATION										
14238		10/08/2025	10328759	10212025	122027	125.00	11/06/2025	INV	PD	ANNUAL MEMBERSHIP DUES L
9155 MUNISERVICES, LLC										
INV06-021670	6867	09/25/2025	10328398	10212025	122028	1,666.66	10/25/2025	INV	PD	UUT AUDIT AND SUPPORT SER
2219 NAN MCKAY & ASSOCIATES, INC										
INV304122		10/07/2025	10328556	10212025	122029	329.00	10/07/2025	INV	PD	ANNUAL SUBSCRIPTION FEE 2
14196 NAPA AUTO PARTS										
061733		09/17/2025	10328119	10212025	122030	764.45	10/17/2025	INV	PD	UNIT 252-04 BRAKE PADS

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
061816		09/18/2025	10328120	10212025	122030	37.94	10/18/2025	INV	PD	UNIT 342 EXTERIOR DOOR HA
062030		09/22/2025	10328133	10212025	122030	14.23	10/22/2025	INV	PD	UNIT 342 WINDOW CRANK HAN
062790		10/01/2025	10328435	10212025	122030	456.21	11/01/2025	INV	PD	UNIT 323-22 BRAKE PADS AN
062916		10/02/2025	10328522	10212025	122030	272.78	11/02/2025	INV	PD	UNIT 080-15 BRAKE PADS AN
062989		10/03/2025	10328523	10212025	122030	136.39	11/03/2025	INV	PD	UNIT 129 BRAKE PADS AND R
						1,682.00				
6256 NATIONAL DATA & SURVEYING SERVICES										
25-020331		09/30/2025	10328392	10212025	122031	920.00	10/13/2025	INV	PD	SEPT VOLUME & SPEED COUNT
13606 NC COMMUNICATIONS, INC.										
RB3940		10/09/2025	10328820	10212025	122032	400.00	10/09/2025	INV	PD	NC COMMUNICATIONS SVS IT
15284 NGUYEN, CATHY										
185940		09/26/2025		10212025	122033	608.00	09/26/2025	INV	PD	REFUND 185940 2TEN1116 01
15362 OBERGFOLL, MICHELLE										
2500806		10/07/2025	10328830	10212025	122034	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE PERMIT
10733 OCEAN BLUE ENVIRONMENTAL SERVICES, INC.										
41945		09/17/2025	10328771	10212025	122035	607.25	10/17/2025	INV	PD	HAZARDOUS WASTE DISPOSAL
7131 OCHOA, IGNACIO										
1042924		10/06/2025	10328624	10212025	122036	150.00	10/06/2025	INV	PD	SAILING 1042924 BOTTOM BO
13029 ODP BUSINESS SOLUTIONS, LLC										
430119156001		10/07/2025	10328557	10212025	122037	59.25	10/07/2025	INV	PD	OFFICE SUPPLIES
432490400001		10/07/2025	10328559	10212025	122037	62.93	10/07/2025	INV	PD	OFFICE SUPPLIES
432833794001		09/10/2025	10328302	10212025	122037	-14.48	10/13/2025	CRM	PD	CREDIT MEMO OFFICE SUPPLI
435055390001		08/13/2025	10328807	10212025	122037	99.09	09/12/2025	INV	PD	OFFICE SUPPLIES - ROSE 08
435594364001		08/25/2025	10328792	10212025	122037	66.99	09/26/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
435594364002		09/05/2025	10328793	10212025	122037	308.73	10/10/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
436066916001		09/30/2025	10328866	10212025	122037	49.44	10/13/2025	INV	PD	OFFICE SUPPLIES 09/30/202
436094946001		09/30/2025	10328869	10212025	122037	39.75	10/13/2025	INV	PD	OFFICE SUPPLIES 09/30/202
436455925001		09/05/2025	10328797	10212025	122037	30.72	10/10/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
436477829001		09/05/2025	10328794	10212025	122037	47.29	10/10/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
436788194001		09/11/2025	10328267	10212025	122037	77.52	10/13/2025	INV	PD	OFFICE AND COFFEE SUPPLIE
437787142001		09/09/2025	10328799	10212025	122037	92.18	10/10/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
437797398001		09/09/2025	10328798	10212025	122037	290.77	10/10/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
437797403001		09/10/2025	10328801	10212025	122037	43.12	10/10/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
437800933001		09/16/2025	10328802	10212025	122037	405.38	10/17/2025	INV	PD	DB OFFICE SUPPLIES GALVAN
437859438001		09/12/2025	10328994	10212025	122037	18.37	10/13/2025	INV	PD	OFFICE SUPPLIES 09/12/202
43809829001		09/08/2025	10328984	10212025	122037	55.20	10/13/2025	INV	PD	9/25 Office Supplies
438189754001		09/11/2025	10328299	10212025	122037	32.91	10/13/2025	INV	PD	OFFICE SUPPLIES 09/11/202
438189935001		09/12/2025	10328300	10212025	122037	22.06	10/13/2025	INV	PD	OFFICE SUPPLIES 09/12/202
439181331001		10/02/2025	10328407	10212025	122037	272.36	10/02/2025	INV	PD	PAPER FOR CITY HALL
439534400001		09/05/2025	10328705	10212025	122037	561.23	10/08/2025	INV	PD	OFFICE SUPPLIES AHUMADA 0
439751970001		09/10/2025	10328268	10212025	122037	23.90	10/13/2025	INV	PD	COFFEE AND OFFICE SUPPLIE

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
439850601001		09/12/2025	10328301	10212025	122037	73.84	10/13/2025	INV	PD	OFFICE SUPPLIES 09/12/202
439971839001		09/11/2025	10328987	10212025	122037	44.19	10/13/2025	INV	PD	9/25 Office Supplies
439974101001		09/11/2025	10328986	10212025	122037	27.65	10/13/2025	INV	PD	9/25 Office Supplies
440170231001		09/12/2025	10328513	10212025	122037	583.07	10/09/2025	INV	PD	Toner RECINOS
440171131001		09/12/2025	10328514	10212025	122037	833.83	10/09/2025	INV	PD	JDIC Toner RECINOS
440171131002		09/15/2025	10328516	10212025	122037	163.74	10/09/2025	INV	PD	JDIC Toner RECINOS
440390058001		09/25/2025	10328684	10212025	122037	277.90	10/13/2025	INV	PD	FIRE ADMIN OFFICE SUPPLIE
441132174001		09/29/2025	10328824	10212025	122037	106.40	10/13/2025	INV	PD	COFFEE AND OFFICE SUPPLIE
441133572001		09/30/2025	10328825	10212025	122037	17.88	10/13/2025	INV	PD	COFFEE AND OFFICE SUPPLIE
441133573001		09/30/2025	10328828	10212025	122037	31.99	10/13/2025	INV	PD	COFFEE AND OFFICE SUPPLIE
441991405001		09/30/2025	10328870	10212025	122037	24.47	10/13/2025	INV	PD	OFFICE SUPPLIES 09/30/202
442228006001		10/01/2025	10328685	10212025	122037	118.01	10/13/2025	INV	PD	FIRE ADMIN OFFICE SUPPLIE
						4,947.68				
14675 OOMA INC										
160520		10/09/2025	10328745	10212025	122038	65.85	10/09/2025	INV	PD	OOMA AIRDIAL OCT 2025 R23
15004 PACIFIC AQUASCAPE INTERNATIONAL, INC										
3775	6911	10/06/2025	10328489	10212025	122039	91,311.38	10/13/2025	INV	PD	WILDERNESS PARK LOWER PON
3787	6911	10/13/2025	10328997	10212025	122039	144,708.70	10/13/2025	INV	PD	WILDERNESS PARK LOWER PON
						236,020.08				
2408 PV VILLAGE PET HOSPITAL										
720033664		07/09/2025	10328531	10212025	122040	10.00	10/07/2025	INV	PD	INJURED SQUIRREL 07/09/25
721170554		07/15/2025	10328529	10212025	122040	20.00	10/07/2025	INV	PD	INJURED SQUIRREL & OPPOSU
722768680		08/04/2025	10328525	10212025	122040	109.00	10/09/2025	INV	PD	INJURED CAT 08/04/25
						139.00				
12759 PARKMOBILE LLC										
US032-2025-001727		09/30/2025	10328586	10212025	122041	2,096.25	10/07/2025	INV	PD	09/2025 TRANSACTION FEES
15345 PEDEN, BRIANNA										
185978		10/02/2025	10328473	10212025	122042	200.00	10/02/2025	INV	PD	REFUND 185978 AV RETURN D
14339 PEGASUS STUDIOS										
1041	6885	10/02/2025	10328409	10212025	122043	8,400.00	10/02/2025	INV	PD	CITY MEETINGS ACTIVATE AV
15306 PELVAY, MARIE										
1204SGERTRUDAREFUND		09/23/2025	10328108	10212025	122044	3,000.00	09/23/2025	INV	PD	DEMO DEPOSIT REFUND FOR 1
15320 PELVAY, MARIE										
2501983		09/24/2025	10328329	10212025	122045	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE PERMIT
12236 PERFORMANCE TRUCK REPAIR INC.										
19480	7138	08/30/2025	10328164	10212025	122046	5,336.29	09/10/2025	INV	PD	REPAIRS TO FD SQUAD 61

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
15240 PROFESSIONAL PAVEMENT PRODUCTS INC										
193034	7106	09/25/2025	10328381	10212025	122047	8,977.24	10/13/2025	INV	PD	MODULAR MEDIAN FOR FLAGLE
2548 PRUDENTIAL OVERALL SUPPLY										
43061110		09/23/2025	10328536	10212025	122048	29.45	10/13/2025	INV	PD	MATS/ACCT 20419235 FD #3
43062914		09/30/2025	10328539	10212025	122048	27.50	10/13/2025	INV	PD	9/25 FS1/DEL #20419018 SH
43063662		10/02/2025	10328569	10212025	122048	54.52	10/13/2025	INV	PD	9/25 FS2/DEL #20419018 SH
						111.47				
10446 PSYCHOLOGICAL CONSULTING ASSOCIATES, INC.										
900818		07/15/2025	10328546	10212025	122049	462.00	10/07/2025	INV	PD	PSYCH EVAL J FARRAR POLIC
900997		09/22/2025	10328545	10212025	122049	924.00	10/07/2025	INV	PD	PSYCH EVAL M OLEKSIK, R R
						1,386.00				
15353 PUBLIC RESOURCES ADVISORY GROUP, INC.										
11702-Jul2025	6980	08/12/2025	10328755	10212025	122050	2,863.75	10/09/2025	INV	PD	FINANCIAL ADVISORY SRVCS
2561 PVP COMMUNICATIONS										
137126		09/23/2025	10328770	10212025	122051	110.00	10/30/2025	INV	PD	RECERTIFICATION OF LIDAR
137163		09/30/2025	10328769	10212025	122051	110.00	10/30/2025	INV	PD	RECERTIFICATION OF LIDAR
						220.00				
12665 QUALITY REFRIGERATION COMPANY INC										
0111114-IN		09/12/2025	10328111	10212025	122052	3,380.83	10/12/2025	INV	PD	SERVICE CALL AT PAC- A/C
0111115-IN		09/16/2025	10328113	10212025	122052	1,855.38	10/16/2025	INV	PD	SERVICE CALL AT FS2- TRAI
0111130-IN		09/16/2025	10328112	10212025	122052	1,439.58	10/16/2025	INV	PD	SERVICE CALL AT PAC- CONC
0111220-IN		09/25/2025	10328364	10212025	122052	2,178.04	10/25/2025	INV	PD	SERVICE CALL AT HISTORICA
0111254-IN		09/30/2025	10328512	10212025	122052	4,422.52	10/09/2025	INV	PD	Jail Freezer
						13,276.35				
12257 RACE COMMUNICATIONS										
RC1810283		10/02/2025	10328412	10212025	122053	2,040.00	10/02/2025	INV	PD	116719 RC 1810283
15326 RAYMUNDO, CECILE										
185987		10/02/2025	10328478	10212025	122054	400.00	10/02/2025	INV	PD	REFUND 185987 AV RETURN D
8230 RAYNE WATER SYSTEMS										
8949		09/30/2025	10328460	10212025	122055	134.00	10/30/2025	INV	PD	FS2 WATER SOFTENER 10/1-1
14369 RC BUILDER GROUP LLC										
2307HUNTINGTON-REFUN		09/26/2025	10328319	10212025	122056	3,000.00	09/26/2025	INV	PD	DEMO DEPOSIT REFUND FOR 2
E2025-216		09/22/2025	10328270	10212025	122056	325.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE E2025-
						3,325.00				
11255 RED SECURITY GROUP, LLC										

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
105576		10/10/2025	10328898	10212025	122057	233.78	10/10/2025	INV	PD	service call, labor, 4 ba
84961		09/20/2025	10328135	10212025	122057	7.67	10/05/2025	INV	PD	UNIT 301 SPARE KEY
						241.45				
2633 REDONDO BEACH ROUND TABLE										
2		10/02/2025	10328434	10212025	122058	35.00	10/02/2025	INV	PD	BWALLER RT GEN MEETING 09
11539 REDONDO BEACH TRAVEL AND TOURISM										
7-8/25 DISB		10/15/2025	10329080	10212025	122059	112,276.76	10/15/2025	INV	PD	JUL-AUG 2025 RBTMD DISBUR
9637 REGIONAL TAP CENTER										
6026011		10/10/2025	10328907	10212025	122060	9.60	10/10/2025	INV	PD	TAP Sept 2025 CS
12044 RENDELL, BRAD										
09252025		09/25/2025	10328533	10212025	122061	160.00	10/13/2025	INV	PD	UNDERWATER MAINTENANCE HA
09292025		09/29/2025	10328534	10212025	122061	210.00	10/13/2025	INV	PD	UNDERWATERMAINTENANCE - F
						370.00				
14992 RENEWELL FLEET SERVICE LLC										
7720		09/18/2025	10328436	10212025	122062	315.60	10/18/2025	INV	PD	STOCK AIR TANK STRAPS
7779	7116	09/22/2025	10328122	10212025	122062	7,887.94	10/22/2025	INV	PD	FIRE ENGINE 61 REPAIRS
						8,203.54				
14822 RESCUE ADVANCEMENT INC										
09262025	6766	09/26/2025	10328595	10212025	122063	18,750.00	10/13/2025	INV	PD	FEES FOR CE & QI SERVICES
9590 REYNOLDS, JUSTIN										
TOOLREIMBURS-FY2526B		09/26/2025	10328315	10212025	122064	131.20	09/26/2025	INV	PD	TOOL REIMBURSEMENT- SR EL
5659 REYNOSO, ANDREW										
ARSMR2025		10/06/2025	10328619	10212025	122065	10,749.90	10/06/2025	INV	PD	SUM2025 TENNIS YOUTH/ADUL
2685 RICHARDS, WATSON & GERSHON										
251036C		12/16/2024	10329111	10212025	122066	177.00	10/15/2025	INV	PD	CEQA services rendered th
252756		04/29/2025	10328978	10212025	122066	26,078.00	10/13/2025	INV	PD	3/25 Pipeline Franchise I
252757		04/29/2025	10328979	10212025	122066	1,032.50	10/13/2025	INV	PD	3/25 NPDES Issues Rel to
252758A		04/29/2025	10329089	10212025	122066	3,776.00	10/15/2025	INV	PD	3/25 Muni Code/City Chart
252758B		04/29/2025	10328993	10212025	122066	4,661.00	10/13/2025	INV	PD	3/25 Muni Code/City Chart
252999		05/19/2025	10329087	10212025	122066	12,463.16	10/15/2025	INV	PD	4/25 Pipeline Franchise I
253000		05/19/2025	10329088	10212025	122066	1,003.00	10/15/2025	INV	PD	4/25 NPDES Issues Rel to
253001B		05/19/2025	10329090	10212025	122066	2,596.00	10/15/2025	INV	PD	4/25 Muni Code/City Chart
253001D		05/19/2025	10329112	10212025	122066	177.00	10/15/2025	INV	PD	CEQA Services rendered th
255049		09/23/2025	10328968	10212025	122066	6,357.50	10/13/2025	INV	PD	8/25 Pipeline Franchise I
255050		09/23/2025	10328969	10212025	122066	767.00	10/13/2025	INV	PD	8/25 NPDES Issues Rel to
255058		09/23/2025	10328970	10212025	122066	6,650.50	10/13/2025	INV	PD	8/25 Public Records Act L

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
255060		09/23/2025	10328971	10212025	122066	737.50	10/13/2025	INV	PD	8/25 Muni Code/City Chart
						66,476.16				
12192 RIVIERA VILLAGE ASSOCIATION										
07-09/25BID		10/09/2025	10328803	10212025	122067	18,483.00	10/09/2025	INV	PD	JUL-SEP 2025 (FY25-26 BID
14102 ROBERT HALF										
65416524	6812	09/29/2025	10328653	10212025	122068	1,641.60	10/21/2025	INV	PD	TEMPORARY STAFFING SERVIC
65434648	7093	09/24/2025	10328272	10212025	122068	1,290.00	10/13/2025	INV	PD	ROBERT HALF INC Contracto
65440025	6812	09/29/2025	10328654	10212025	122068	1,641.60	10/21/2025	INV	PD	TEMPORARY STAFFING SERVIC
65463046	7093	10/02/2025	10328580	10212025	122068	1,290.00	10/07/2025	INV	PD	ROBERT HALF INC Contracto
65464370	6812	10/06/2025	10328910	10212025	122068	1,641.60	10/13/2025	INV	PD	TEMPORARY STAFFING SERVIC
						7,504.80				
6661 ROBERTSON'S										
727222		09/24/2025	10328360	10212025	122069	1,001.84	10/10/2025	INV	PD	CONCRETE FOR KNOB HILL AV
727617		09/17/2025	10328422	10212025	122069	1,381.22	10/10/2025	INV	PD	CONCRETE FOR AVENUE B & S
731179		10/01/2025	10328720	10212025	122069	943.56	11/01/2025	INV	PD	CONCRETE FOR 116 AVE I
						3,326.62				
15359 RODRIGUEZ, ROBERT										
187840		10/08/2025	10328648	10212025	122070	200.00	10/08/2025	INV	PD	REFUND 187840 AV RETURN D
15358 ROJAS, PAOLA										
187841		10/08/2025	10328649	10212025	122071	305.00	10/08/2025	INV	PD	REFUND 187841 7REC0105-08
2783 SAFETY-KLEEN CORPORATION										
98238482		09/17/2025	10328378	10212025	122072	1,305.71	10/17/2025	INV	PD	OIL STOCK
14800 SAFETYCENTRIC INC										
INV26447	7075	09/23/2025	10328125	10212025	122073	1,891.70	09/23/2025	INV	PD	CONTRACTOR FOR FIBER OPTI
INV26491	7075	10/09/2025	10328819	10212025	122073	700.00	10/09/2025	INV	PD	CONTRACTOR FOR FIBER OPTI
						2,591.70				
15354 SANCHEZ, ELIAS										
187858		10/08/2025	10328657	10212025	122074	200.00	10/08/2025	INV	PD	REFUND 187858 AV RETURN D
6829 SANCON TECHNOLOGIES, INC.										
28896	5829	09/25/2025	10328651	10212025	122075	64,274.82	10/13/2025	INV	PD	SANCON TECHNOLOGIES
15272 SASAKI, ALEXA RAE										
185990		10/02/2025	10328481	10212025	122076	400.00	10/02/2025	INV	PD	REFUND 185990 SSL RETURN
3031 SC FUELS										

CITY OF REDONDO BEACH

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
IN-0000780529	7146	09/30/2025	10328842	10212025	122077	28,672.61	10/30/2025	INV	PD	8,000 GALLONS UNLEADED FU
6612 SEEDS OF JOY VILLAGE, INC.										
SOJV2025-07		09/30/2025	10328347	10212025	122078	3,777.66	09/30/2025	INV	PD	SOJV2025 -07 OCTOBER2025
11774 SHAFER, MARIA										
2025-045-RBHC		09/11/2025	10328161	10212025	122079	255.00	10/11/2025	INV	PD	MEETING MINUTES FOR HARBO
8719 SHEYBANI, KERRI										
KSFALL2025		10/06/2025	10328623	10212025	122080	1,344.00	10/06/2025	INV	PD	KSFALL2025 ADULT YOGA 2AP
8622 SHOETERIA										
0091313-IN		09/04/2025	10328148	10212025	122081	350.00	10/19/2025	INV	PD	ERIC CHAVEZ WORK BOOTS FY
0091920-IN		09/18/2025	10328457	10212025	122081	350.00	11/02/2025	INV	PD	CARLOS GONZALEZ WORK BOOT
0092027-IN		09/22/2025	10328456	10212025	122081	333.12	11/06/2025	INV	PD	DAVID HERNANDEZ WORK BOOT
						1,033.12				
9823 SHRED-IT USA LLC										
8012161462		10/10/2025	10328893	10212025	122082	450.56	10/13/2025	INV	PD	PAPER SHREDDING SERVICE
8931 SIGNAL ATTORNEY SERVICE, INC.										
093025		09/30/2025	10328965	10212025	122083	170.00	10/13/2025	INV	PD	Services Rendered from 09
2898 SIGNVERTISE										
12375		10/01/2025	10328395	10212025	122084	1,432.19	10/30/2025	INV	PD	STREET BANNERS FOR JULY 2
12465		10/01/2025	10328396	10212025	122084	1,050.00	10/30/2025	INV	PD	STREET BANNERS FOR SEPTEM
						2,482.19				
15344 SOLDIERS OF CHRIST FELLOWSHIP CENTER										
185993		10/02/2025	10328472	10212025	122085	400.00	10/02/2025	INV	PD	REFUND 185993 AV RETURN D
11210 SOUTH BAY FLEET SPECIALIST										
21909		09/17/2025	10328323	10212025	122086	591.42	10/17/2025	INV	PD	UNIT 647 REPLACED LEFT DO
21916		09/25/2025	10328324	10212025	122086	499.79	10/25/2025	INV	PD	UNIT 107-18 REPAIR DOOR H
21921	7153	09/23/2025	10328843	10212025	122086	6,806.88	10/23/2025	INV	PD	PW UNIT 333-07 ROOT DAMAG
21923		09/26/2025	10328437	10212025	122086	1,999.71	10/26/2025	INV	PD	UNIT 671-23 FRONT/REAR DO
						9,897.80				
2990 SOUTH BAY FORD										
529296		10/02/2025	10328524	10212025	122088	1,069.53	11/01/2025	INV	PD	UNIT 204 REPLACED DRIVER
558369		09/29/2025	10328462	10212025	122087	425.98	10/29/2025	INV	PD	UNIT 251-17 ARM REST
						1,495.51				
9634 SOUTH BAY LANDSCAPING, INC.										

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
21864		09/30/2025	10328600	10212025	122089	1,392.00	10/30/2025	INV	PD	MONTHLY PIER LANDSCAPING
21869		09/30/2025	10328599	10212025	122089	1,824.00	10/30/2025	INV	PD	HARBOR LANDSCAPE MAINT A/
21870		09/30/2025	10328602	10212025	122089	1,200.00	10/30/2025	INV	PD	MONTHLY MEDIAN LANDSCAPE
						4,416.00				
2999 SOUTH BAY SHELL										
SHELLCARWASH 9/25		10/09/2025	10328785	10212025	122090	512.00	11/09/2025	INV	PD	SEPT CITY VEHICLE CAR WAS
3005 SOUTH COAST AIR QUALITY MANAGEMENT DISTR										
4603045		09/16/2025	10328823	10212025	122092	565.63	11/16/2025	INV	PD	300 CARNELIAN ST GENERATO
4607319		09/16/2025	10328808	10212025	122091	170.94	11/16/2025	INV	PD	300 CARNELIAN ST EMISSION
						736.57				
3016 SOUTHERN CALIFORNIA EDISON										
700062327897-100225		10/02/2025	10328761	10212025	122093	3,879.97	10/22/2025	INV	PD	N. HAR. DR, MAR. WAY, FIS
700062360940-091525		09/15/2025	10328142	10212025	122093	2,064.95	10/06/2025	INV	PD	N HARBOR DR, N CATALINA,
700062391656-100225		10/02/2025	10328752	10212025	122093	4,676.82	10/22/2025	INV	PD	BERYL/HAR/PORTOFINO, BASI
700062436318-091525		09/15/2025	10328138	10212025	122093	12,007.91	10/06/2025	INV	PD	101 TORRANCE BL./INT'L BO
700063072575-091525		09/15/2025	10328145	10212025	122093	125,224.46	10/06/2025	INV	PD	700 JULIA, 2000 ARTESIA,
700165291478-091525		09/15/2025	10328139	10212025	122093	356.24	10/06/2025	INV	PD	205 YACHT CLUB WAY 8/12-9
700354269811-092925		09/29/2025	10328609	10212025	122093	1,638.43	10/20/2025	INV	PD	1521 KINGSDALE AVE 8/26-9
700464670763-092525		09/25/2025	10328566	10212025	122093	371.82	10/15/2025	INV	PD	1928 NELSON 8/22-9/22/25
700470178747		09/15/2025	10328144	10212025	122093	1,928.87	10/06/2025	INV	PD	ARTESIA, JUANITA, 190TH,
700776225568-092625		09/26/2025	10328565	10212025	122093	391.38	10/16/2025	INV	PD	715 JULIA 8/25-9/23/25
Edison 10.20.25		10/10/2025	10328912	10212025	122093	99.72	10/10/2025	INV	PD	Edison 10.20.25
						152,640.57				
15303 SOUTHSTAR ENGINEERING & CONSULTING, INC										
586	7137	09/25/2025	10328262	10212025	122094	4,424.00	10/13/2025	INV	PD	AVIATION / ARTESIA NB RT
3045 SPECIALTY DOORS										
56283S		08/12/2025	10328110	10212025	122095	1,910.03	09/11/2025	INV	PD	REPLACE TRAVELER TROLLEY
56378S		09/16/2025	10328425	10212025	122095	546.47	10/16/2025	INV	PD	ADJUSTED SAFETY ON SWING
56379S		09/16/2025	10328367	10212025	122095	777.47	10/16/2025	INV	PD	FIRE DEPT 3 280 MARINA WA
56380S		09/16/2025	10328424	10212025	122095	1,229.97	10/16/2025	INV	PD	SWING DOORS ADJUSTED AT M
						4,463.94				
15334 SPICER, MICHALE										
186549		10/02/2025	10328443	10212025	122096	65.00	10/02/2025	INV	PD	REFUND 186549 MBPERMIT AC
10201 SPORTBALL										
FALL2025		09/30/2025	10328416	10212025	122097	3,990.00	09/30/2025	INV	PD	FALL2025 SPORTBALL 2YPG11
6314 SPORTS FACILITIES GROUP, INC.										
A18937		10/01/2025	10328397	10212025	122098	1,353.22	10/30/2025	INV	PD	VOLLEYBALL CART FOR AVIAT
15332 STAATS, HELENA										

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
185981		10/02/2025	10328419	10212025	122099	200.00	10/02/2025	INV	PD	REFUND 185981 AV RETURN D
15336 STAPLETON, KEVIN										
186557		10/02/2025	10328445	10212025	122100	400.00	10/02/2025	INV	PD	REFUND 186557 AV RETURN D
13591 STELLEN DESIGN LLC										
3026		09/25/2025	10328275	10212025	122101	3,250.00	09/25/2025	INV	PD	LOGO DESIGN TRANSIT AND D
15171 STORMWATER PROS IE LLC										
17543	7141	09/25/2025	10328259	10212025	122102	3,200.00	10/13/2025	INV	PD	GLEN ANDERSON DRYWELL INS
17643	7141	09/25/2025	10328260	10212025	122102	200.44	10/13/2025	INV	PD	GLEN ANDERSON DRYWELL INS
17654	7141	09/25/2025	10328261	10212025	122102	64,700.00	10/13/2025	INV	PD	GLEN ANDERSON DRYWELL INS
						68,100.44				
12898 STRIVE DESIGN INC										
304288		09/30/2025	10328393	10212025	122103	2,281.26	10/13/2025	INV	PD	MISC BRANDED APPAREL
304317		10/08/2025	10328744	10212025	122103	423.15	10/09/2025	INV	PD	UNIFORM L GALLIMORE DISPA
						2,704.41				
10365 T-MOBILE										
20537941710202025		10/02/2025	10328408	10212025	122104	6,450.34	10/02/2025	INV	PD	FIRE MDCS 205379417
267037237-10202025		10/02/2025		10212025	122104	1,097.16	10/02/2025	INV	PD	267037237- COMMUNITY SERV
997675723- 10202025		10/02/2025	10328406	10212025	122104	122.20	10/02/2025	INV	PD	997675723- HSI ROUTERS MA
998074818092125		09/21/2025	10328810	10212025	122104	3,114.07	10/13/2025	INV	PD	MONTHLY FEES ACCOUNT 9980
999828330		10/02/2025	10328426	10212025	122104	76.45	10/02/2025	INV	PD	LINE CHARGES 4244698971
						10,860.22				
8435 T-MOBILE USA										
9618652634		09/19/2025	10328806	10212025	122105	165.00	09/19/2025	INV	PD	GPS LOCATE TIMING ADVANCE
9715 T2 SYSTEMS CANADA INC.										
INVEBP0000010428		09/17/2025	10328094	10212025	122106	226.25	10/13/2025	INV	PD	EXTEND BY PHONE USAGE 8/2
15310 TATE, JASMIN										
185826/185828		09/26/2025	10328287	10212025	122107	100.00	09/26/2025	INV	PD	REFUND 185826 185828 2APG
11998 TELEFLEX LLC										
9510624698		10/07/2025	10328669	10212025	122108	537.78	10/13/2025	INV	PD	PM MEDICAL AID SUPPLIES
9510624700		10/07/2025	10328670	10212025	122108	192.06	10/13/2025	INV	PD	PM MEDICAL AID SUPPLIES
						729.84				
3179 TEMPRANO, MARIA										
WLLETEMPRANO		10/07/2025	10328554	10212025	122109	163.40	10/07/2025	INV	PD	PER DIEM FOR WLLE CONFERE

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
11764 THE CHUKA FAMILY TRUST										
10022025		10/06/2025	10328498	10212025	122110	22,336.72	10/06/2025	INV	PD	1922 ARTESIA BLVD. LEASE
10837 THE FELDHAKE LAW FIRM										
57087		09/03/2025	10328949	10212025	122111	20,591.35	10/13/2025	INV	PD	8/25 ICRMA Legal Fees
57117		10/01/2025	10329019	10212025	122111	3,345.00	10/13/2025	INV	PD	9/25 ICRMA Legal Fees
						23,936.35				
11787 THOMAS, JOSEPH G.										
AUGUST2025		09/26/2025	10328296	10212025	122112	1,008.00	09/26/2025	INV	PD	AUGUST2025 JTHOMAS SENIOR
9019 THOMSON REUTERS - WEST										
852671559		10/01/2025	10328972	10212025	122113	1,256.43	10/13/2025	INV	PD	10/1 Monthly Library Char
71 TIME WARNER CABLE										
119992001092125		10/02/2025	10328404	10212025	122114	1,428.29	10/02/2025	INV	PD	119992001 09212025
187587201100125		10/09/2025	10328748	10212025	122114	5,712.12	10/09/2025	INV	PD	DARK FIBER 187587201
188418401100125		10/09/2025	10328747	10212025	122114	420.00	10/09/2025	INV	PD	DARK FIBER 188418401
188419101092125		10/02/2025	10328405	10212025	122114	3,311.70	10/02/2025	INV	PD	188419101 - 09212025
188420401100125		10/09/2025	10328751	10212025	122114	420.00	10/09/2025	INV	PD	DARK FIBER 188420401
188500801100125		10/09/2025	10328750	10212025	122114	258.53	10/09/2025	INV	PD	188500801
						11,550.64				
11361 TIREHUB, LLC										
52896288		09/18/2025	10328115	10212025	122115	864.60	12/10/2025	INV	PD	UNIT 252-04 TIRES
53244260		10/03/2025	10328526	10212025	122115	220.32	11/02/2025	INV	PD	UNIT 129-14 TIRES
						1,084.92				
3225 TORRANCE AUTO PARTS										
2280-0825	7123	09/01/2025	10328282	10212025	122116	7,724.67	10/01/2025	INV	PD	AUGUST '25 AUTO PARTS PUR
7130 TORRANCE AUTO REPAIR										
0191809		09/30/2025	10328375	10212025	122117	2,826.42	10/30/2025	INV	PD	UNIT 622-17 WHEEL ALIGNME
0191871		09/30/2025	10328377	10212025	122117	119.95	10/30/2025	INV	PD	UNIT 647-23 WHEEL ALIGNME
						2,946.37				
3227 TORRANCE MEMORIAL MEDICAL CENTER										
34258		09/28/2025	10328784	10212025	122118	175.00	10/13/2025	INV	PD	09/2025 DUI BLOOD DRAWS
9342 TRANSUNION RISK AND ALTERNATIVE										
213833-202509-01		10/01/2025	10328831	10212025	122119	166.40	10/07/2025	INV	PD	09/2025 MONTHLY TLO CHARG
9469 TREASURED MOMENTS PHOTOGRAPHY										
231074CS		10/06/2025	10328499	10212025	122120	150.00	10/06/2025	INV	PD	TMP HEADSHOTS

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
231078CC		10/07/2025	10328616	10212025	122120	150.00	10/21/2025	INV	PD	CC HEADSHOT PHOTO
231078PW		10/07/2025	10328746	10212025	122120	150.00	11/07/2025	INV	PD	HEADSHOTS PW PORTION
						450.00				
6901 TRIVEDI, GERALDINE										
TRIVEDI092025		10/10/2025	10328881	10212025	122121	59.10	10/13/2025	INV	PD	REIMBURSEMENT FOR CASQA C
6100 DAVID TURCH & ASSOCIATES										
10022025	6752	10/02/2025	10328433	10212025	122122	2,083.33	10/02/2025	INV	PD	CONSULTANT SVCS FOR FED L
3261 TURF STAR INC										
INV114205		09/17/2025	10328118	10212025	122123	447.74	10/17/2025	INV	PD	UNIT 297 STEERING BALL JO
INV114791		09/19/2025	10328136	10212025	122123	210.21	10/19/2025	INV	PD	UNIT 297-13 CUTTING BLADE
INV115590		09/24/2025	10328350	10212025	122123	187.38	10/24/2025	INV	PD	UNIT 297 DECK BLADES
						845.33				
6191 TURNOUT MAINTENANCE COMPANY										
30213		09/24/2025	10328594	10212025	122124	595.45	10/13/2025	INV	PD	FF/PM TURNOUT MAINTENANCE
30261		09/30/2025	10328593	10212025	122124	258.00	10/13/2025	INV	PD	FF/PM TURNOUT MAINTENANCE
						853.45				
3273 U.S. ARMOR CORPORATION										
50847		09/22/2025	10328693	10212025	122125	902.02	10/09/2025	INV	PD	CATANZARO REPLACEMENT VES
51006		10/03/2025	10328689	10212025	122125	751.99	10/09/2025	INV	PD	HERNANDEZ OUTER VEST
						1,654.01				
3281 UC REGENTS										
3013-1344	7124	09/02/2025	10328572	10212025	122126	1,790.00	10/13/2025	INV	PD	PARAMEDIC SCHOOL TUITION
3013-1359	7124	09/12/2025	10328571	10212025	122126	22,270.00	10/13/2025	INV	PD	PARAMEDIC SCHOOL TUITION
						24,060.00				
3283 ULINE										
198634299		09/30/2025	10328781	10212025	122127	144.24	10/30/2025	INV	PD	CLEANING SUPPLIES
198711476		10/01/2025	10328690	10212025	122127	515.72	10/09/2025	INV	PD	PROPERTY AND EVIDENCE BOX
						659.96				
3285 UNDERGROUND SERVICE ALERT										
920250583		10/01/2025	10328541	10212025	122128	366.00	10/13/2025	INV	PD	SEPT MONTHLY DB MTCE & 17
5332 UNITED RENTALS NORTHWEST, INC.										
185398016-067		09/20/2025	10328983	10212025	122129	197.55	10/13/2025	INV	PD	10/25 Homeless Ct Portabl
250892356-001		07/30/2025	10328362	10212025	122129	686.80	08/30/2025	INV	PD	CH COURTYARD AND RIBBON C
250892356-002		07/30/2025	10328361	10212025	122129	511.20	08/30/2025	INV	PD	CH COURTYARD RIBBON CUTTI
						1,395.55				
3305 UNITED STATES POSTAL SERVICE - CMRS-PB										

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
10212025		10/01/2025	10328495	10212025	122130	15,000.00	10/06/2025	INV	PD	415 DIAMOND STREET - ACCT
13579 VEOLIA WTS SERVICES USA, INC.										
903457465 100995661		09/29/2025	10328576	10212025	122131	426.77	10/13/2025	INV	PD	EXCHANGE DI MIX BED
903457467 100995662		09/29/2025	10328577	10212025	122131	361.82	10/13/2025	INV	PD	EXCHANGE DI MIX BED
						788.59				
8088 VERIZON BUSINESS SERVICES										
73475035		10/02/2025	10328402	10212025	122132	3,196.38	10/02/2025	INV	PD	CALNET NEXT GEN SV646027
3621 VERIZON WIRELESS										
6124425240		10/07/2025	10328564	10212025	122133	28.22	10/07/2025	INV	PD	PHONE BILL AUG-SEP 2025
6124428995		10/09/2025	10328821	10212025	122133	2,701.59	10/09/2025	INV	PD	442003601-0002
9022412205		09/07/2025	10328816	10212025	122134	100.00	10/07/2025	INV	PD	TOWER DUMP PER DET KNOX
						2,829.81				
11674 VERMONT SYSTEMS, INC.										
VS017665		10/08/2025	10328663	10212025	122135	350.00	10/08/2025	INV	PD	VERMONT SYSTEMS SETUP/TRA
14811 VESTIS UNIFORM AND WORK PLACE										
5860488894	6754	09/24/2025	10328855	10212025	122136	113.62	10/24/2025	INV	PD	9/24 PIER UNIFORMS
5860488895	6754	09/24/2025	10328862	10212025	122136	174.85	10/10/2025	INV	PD	9/24 PARKS UNIFORMS
5860488896	6754	09/24/2025	10328879	10212025	122136	356.47	10/10/2025	INV	PD	9/24 PW YARD UNIFORMS
5860491452	6754	10/01/2025	10328856	10212025	122136	113.62	11/10/2025	INV	PD	10/1 PIER UNIFORMS
5860491453	6754	10/01/2025	10328860	10212025	122136	172.47	11/10/2025	INV	PD	10/1 PARKS UNIFORMS
5860491454	6754	10/08/2025	10328874	10212025	122136	353.45	11/10/2025	INV	PD	10/1 PW YARD UNIFORMS
5860493977	6754	10/08/2025	10328857	10212025	122136	109.15	11/10/2025	INV	PD	10/8 PIER UNIFORMS
5860493978	6754	10/08/2025	10328861	10212025	122136	172.26	11/10/2025	INV	PD	10/8 PARKS UNIFORMS
5860493979	6754	10/08/2025	10328867	10212025	122136	354.10	11/10/2025	INV	PD	10/8 PW YARD UNIFORMS
						1,919.99				
8802 VISION SERVICE PLAN										
823686743		09/19/2025	10328318	10212025	122139	12.18	10/13/2025	INV	PD	VSP COBRA OCTOBER 2025
823686749		09/19/2025	10328317	10212025	122138	1,561.83	10/13/2025	INV	PD	VSP RETIREES OCTOBER 2025
823686753		09/19/2025	10328316	10212025	122137	6,453.31	10/13/2025	INV	PD	VSP ACTIVES OCTOBER 2025
						8,027.32				
14869 WACHS, CHRIS										
185984		10/01/2025	10328382	10212025	122140	200.00	10/01/2025	INV	PD	REFUND 185984 WP RETURN D
15170 WALSH MARINE PRODUCTS INC										
0001185-IN	7065	09/09/2025	10328847	10212025	122141	6,278.88	10/09/2025	INV	PD	PURCHASE BUOYS FOR PIER/H
3392 WALTERS WHOLESALE ELECTRIC CO.										
S128798581.001		09/30/2025	10328587	10212025	122142	927.75	10/25/2025	INV	PD	PIER-PARKING STRUCTURE 1

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
S128884261.001		09/30/2025	10328589	10212025	122142	523.99	10/25/2025	INV	PD	STREET LIGHTING ELECTRICA
S128914038.001		10/08/2025	10328829	10212025	122142	808.58	10/08/2025	INV	PD	SPOT LIGHTING
						2,260.32				
3408 WAXIE SANITARY SUPPLY										
83299823cm		10/14/2025	10329081	10212025	122143	-4,561.23	10/14/2025	CRM	PD	WAXIE FOR SEASIDE LAGOON
83441675-1		10/14/2025	10329038	10212025	122143	1,775.76	10/14/2025	INV	PD	WAXIE FOR SEASIDE LAGOON
83453414-cm		10/14/2025	10329050	10212025	122143	406.52	10/14/2025	INV	PD	WAXIE FOR SEASIDE LAGOON
83513205		09/17/2025	10328452	10212025	122143	129.82	10/17/2025	INV	PD	JANITORIAL SUPPLIES AVIAT
83528501		09/24/2025	10328453	10212025	122143	3,933.31	10/24/2025	INV	PD	JANITORIAL SUPPLIES- PIER
83528571		09/24/2025	10328451	10212025	122143	416.08	10/24/2025	INV	PD	RBPAC JANITORIAL SUPPLIES
83543721		10/01/2025	10328846	10212025	122143	1,751.82	10/31/2025	INV	PD	FACILITIES JANITORIAL SUP
83559106		10/08/2025	10328844	10212025	122143	1,342.44	11/07/2025	INV	PD	RBPAC JANITORIAL SUPPLIES
						5,194.52				
9128 WEST COAST LIGHTS & SIRENS, INC.										
28400		09/24/2025	10328743	10212025	122144	1,556.54	10/09/2025	INV	PD	ANTENNA REPLACEMENT UNITS
15349 WESTERLAND, GARY										
2500733		09/30/2025	10328487	10212025	122145	1,041.00	10/13/2025	INV	PD	REFUND DEPOSIT FEE PERMIT
14679 WESTFLEX INC										
5008667		09/25/2025	10328314	10212025	122146	425.10	10/25/2025	INV	PD	X-LARGE GLOVES PARKS
3458 WILLIAMS SCOTSMAN, INC.										
9024649422		09/24/2025	10328363	10212025	122147	257.20	10/24/2025	INV	PD	STREETS STORAGE CONTAINER
15316 WITTMAN ENTERPRISES LLC										
25080646	7157	09/02/2025	10328683	10212025	122148	5,430.00	10/13/2025	INV	PD	FEES FOR BILLING SERVICES
7731 WOLFINGER, JENNA										
WLLEWOLFINGER		10/07/2025	10328558	10212025	122149	163.40	10/07/2025	INV	PD	PER DIEM FOR WLLE CONFERE
9320 ZERO WASTE USA										
783254		09/18/2025	10328158	10212025	122150	2,380.12	10/18/2025	INV	PD	DOG BAGS FOR PIER
4049 ZIP REPORTS										
52705250827		09/30/2025	10328343	10212025	122151	28.00	09/30/2025	INV	PD	REPORTS ORDERED AUG 2025
52705250928		10/07/2025	10328563	10212025	122151	4.75	10/07/2025	INV	PD	REPORTS ORDERED SEP 2025
						32.75				
635 INVOICES						2,884,676.75				

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION

** END OF REPORT - Generated by Nicholette Garcia **

Administrative Report

H.5., **File #** 25-1406 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

APPROVE CONTRACTS UNDER $35,000:

1. APPROVE A THIRD AMENDMENT TO THE AGREEMENT WITH FHN FINANCIAL MAIN STREET ADVISORS, LLC (ASSIGNED TO MEEDER PUBLIC FUNDS, INC.) FOR NON-DISCRETIONARY INVESTMENT ADVISORY SERVICES TO EXTEND THE TERM TO JANUARY 31, 2029

   CONTACT: EUGENE SOLOMON, CITY TREASURER

2. APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH CANNON CORPORATION FOR PROJECT CLOSEOUT SERVICES FOR THE MANHATTAN BEACH BOULEVARD RESURFACING - AVIATION BOULEVARD TO INGLEWOOD AVENUE PROJECT, JOB NO. 41160 FOR AN ADDITIONAL AMOUNT OF $4,840 FOR THE EXISTING TERM THROUGH NOVEMBER 20, 2025

   CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

EXECUTIVE SUMMARY

Approve Contracts Under $35,000

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Third Amendment, Signature & Insurance - FHN Financial Main Street Advisors, LLC (Assigned to Meeder Public Funds, Inc.)
- Consent to Assignment - FHN Financial Main Street Advisors, LLC to Meeder Public Funds, Inc., November 21, 2023
- Amendments 1-2 & Agmt - FHN Financial Main Street Advisors, LLC (Assigned to Meeder Public Funds, Inc.)
- Second Amendment, Signature & Insurance - Cannon Corporation
- First Amendment & Original Agmt - Cannon Corporation

THIRD AMENDMENT TO THE
AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND FHN FINANCIAL MAIN STREET ADVISORS, LLC

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 Meeder Public Funds, Inc., an Ohio corporation ("Contractor" or "Consultant") formerly FHN Financial Main Street Advisors, LLC ("FHN").

WHEREAS, on February 18, 2020, the City and FHN entered into that certain Agreement for Consulting Services (the "Agreement");

WHEREAS, on August 17, 2021, the City and FHN entered into the First Amendment to the Agreement to remove certain services and define nondiscretionary investment management;

WHEREAS, on January 17, 2023, the City and FHN entered into a Second Amendment to the Agreement to extend the Agreement through January 31, 2026;

WHEREAS, on November 21, 2023, the City consented, pursuant to that certain Consent to Assignment of the Agreement, to the assignment of the Agreement from FHN to Meeder Investment Management, Inc., and the subsequent assignment from Meeder Investment Management, Inc. to Consultant, which assumed all rights and obligations of FHN under the Agreement; and

WHEREAS, the City and Consultant now desire to extend the term of 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 amendment to the Agreement:

1. **TERM AND TIME OF COMPLETION**. Exhibit "B" of the Agreement, as amended by Exhibit "B-1", is hereby amended to add Exhibit "B-2", which extends the Agreement to January 31, 2029. Exhibit "B-2" is attached hereto and incorporated by reference. Consultant shall commence and complete all services described in Exhibit "A", as amended by Exhibit "A-1" of the Agreement in accordance with the schedule set forth in Exhibit "B", as amended by Exhibits "B-1" and "B-2".

2. **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, Consent to Assignment, 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 hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, Consent to Assignment, and this Third Amendment, the terms of this Third Amendment shall govern.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Third Amendment in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

MEEDER PUBLIC FUNDS, INC.,
an Ohio corporation

DocuSigned by:
Jason Headings
6A2910FFA3E846C...

By: _____
Name: Jason Headings
Title: Sr. Vice President

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT "B-2"

TERM AND TIME OF COMPLETION

TERM. The term of this Agreement shall be extended to January 31, 2029 (“Term”), unless otherwise terminated herein.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/27/2025

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

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

PRODUCER Alliant Insurance Services, Inc. 32 Old Slip New York NY 10005	**CONTACT NAME:** Dalton Trimnal **PHONE (A/C, No, Ext):** 646-759-3535 **FAX (A/C, No):** **E-MAIL ADDRESS:** Dalton.Trimnal@alliant.com
	INSURER(S) AFFORDING COVERAGE / **NAIC #**
	INSURER A : Continental Casualty Company — 20443
INSURED MEEDINV-01 Meeder Investment Management, Inc. Meeder Public Funds, Inc. 6125 Memorial Drive Dublin OH 43017	**INSURER B :** XL Specialty Insurance Company — 37885 **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 2034222826 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ $ $ $ $ $
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	☐ **UMBRELLA LIAB** ☐ OCCUR ☐ **EXCESS LIAB** ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					☐ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
A B	Management and Professional Liab. Insurance			652130249 ELU205537-25	7/31/2025 7/31/2025	7/31/2026 7/31/2026	Aggregate Limit Retention	$10,000,000 $250,000

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

Evidence of coverage only.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CONSENT TO ASSIGNMENT OF THE AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND FHN FINANCIAL MAIN STREET ADVISORS, LLC, TO MEEDER INVESTMENT MANAGEMENT, INC. WITH SUBSEQUENT ASSIGNMENT TO MEEDER PUBLIC FUNDS, INC.

THIS CONSENT TO ASSIGNMENT (this "Consent") is made by the City of Redondo Beach, a chartered municipal corporation (“City”), FHN Financial Main Street Advisors, LLC, a Nevada limited liability company (“Assignor”), Meeder Public Funds, Inc., an Ohio corporation (“Assignee”), and Meeder Investment Management, Inc., a Delaware corporation (“Meeder Parent”).

WHEREAS, the City and Assignor entered into that certain Agreement for Consulting Services dated February 18, 2020 (the "Agreement"), which has been amended on August 17, 2021, and January 17, 2023, respectively;

WHEREAS, Assignor and Meeder Parent have entered into an Assignment and Purchase Agreement dated October 31, 2023, whereby Assignor intends to transfer, and Meeder Parent intends to receive, Assignor’s rights and obligations under the Agreement, with such transfer being effective as of the closing date of the acquisition (the "Effective Date"), subject to the City’s consent;

WHEREAS, in anticipation of the Effective Date and the closing of the transaction as described above, Meeder Parent desires to assign all rights and obligations it acquires under the Assignment and Purchase Agreement to its wholly-owned subsidiary, Meeder Public Funds, Inc. (“Assignee”), with such assignment to become effective concurrently with the Effective Date;

WHEREAS, the Assignor is duly authorized and empowered to assign the Agreement to Meeder Parent, and Meeder Parent is duly authorized and empowered to further assign the Agreement to Assignee;

WHEREAS, in accordance with Section 18 of the Agreement, any merger, sale, or transfer of the Assignor's rights and obligations that results in a reduction of the Assignor’s assets or net worth by twenty-five percent (25%) or more is deemed an assignment under the Agreement;

WHEREAS, under the Agreement, Assignor shall obtain City’s consent for the assignment of the Agreement; and

WHEREAS, the City wishes to provide its consent to the assignment of the Agreement from Assignor to Meeder Parent and subsequently from Meeder Parent to Assignee, under the terms and conditions contained herein.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the City hereby issues its approval and consent to said assignment of the Agreement subject to the following conditions:

1. City consents to the assignment of the Agreement from Assignor to Meeder Parent and the subsequent assignment from Meeder Parent to Assignee, provided however that this Consent shall not impose any additional obligations on City nor affect any of the rights of City under the Agreement.

2. Assignor hereby assigns, transfers, and conveys to Meeder Parent, and Meeder Parent hereby assigns, transfers, and conveys to Assignee, all of Assignor's rights, and both Assignor and Meeder Parent delegate all of their respective duties and obligations under the Agreement to Assignee. This two-step assignment is acknowledged by the City, and this Consent shall not create any new obligations for City nor alter any existing rights of City under the Agreement, except as expressly provided herein.

3. Assignee accepts the assignment and delegation of the Agreement from Meeder Parent and agrees to be bound by, and to faithfully perform, all terms, conditions, and covenants contained therein. Assignee acknowledges that it assumes the obligations under the Agreement as if it were the original party thereto from the Effective Date and represents that it has the capacity and authority to fulfill the responsibilities and obligations assigned hereunder.

4. As of the Effective Date, defined herein as the date upon which the closing of the transaction between Assignor and Meeder Parent occurs, City shall remit all future payments relating to Assignor's services and/or products and services covered under the Agreement to Assignee. The City shall make no further payments to Assignor for any invoices submitted after the Effective Date, and Assignee shall provide the City with all necessary payment remittance information to ensure a seamless transition of the payment process.

5. Except as otherwise set forth herein, the terms and conditions of the Agreement, shall remain in full force and effect between the parties.

6. The individuals executing this Consent represent that they have full authority to execute this document on behalf of the entity for whom they are acting herein. In the event the parties for Assignor and Assignee are not duly authorized to enter into and execute this Consent, the parties shall be personally liable to City.

7. Should any provision of this Consent be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable to the fullest extent permitted by law.

8. This Consent may be modified or amended only by a subsequent writing executed by all of the parties.

9. This Consent shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law.

10. In the event of any dispute arising hereunder, venue for any action shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

11. In the event of any dispute arising out of this Consent, the prevailing party shall be entitled to its reasonable attorney’s fees and costs, including expert witness fees.

12. In the event that the acquisition of Assignor by Meeder Parent, as contemplated under the Assignment and Purchase Agreement dated October 31, 2023, is not completed for any reason, this Consent shall become null and void. Upon such occurrence, all rights, obligations, and interests in the Agreement for Consulting Services shall revert to the

status quo ante as if this Consent had never been executed. Assignor shall retain all rights and obligations under the original Agreement for Consulting Services dated February 18, 2020, and any amendments thereto. Further, any actions, transfers, or assignments undertaken pursuant to this Consent shall be undone, and all parties shall take necessary steps to restore each other to their respective positions prior to the date of this Consent.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Consent in Redondo Beach, California, as of this 21st day of November, 2023.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
William C. Brand
E6413C7231DF4E1...

William C. Brand, Mayor

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
[illegible]

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

ASSIGNOR:
FHN FINANCIAL MAIN STREET ADVISORS, LLC
a Nevada limited liability company

DocuSigned by:
By: Rick Phillips
[illegible]
Name: Rick Phillips
Title: Founder

SIGNATURES FOLLOW ON NEXT PAGE

ASSIGNEE:
MEEDER PUBLIC FUNDS, INC.
an Ohio corporation

DocuSigned by:
By: Jason Click
Name: Jason Click
Title: President

MEEDER PARENT:
MEEDER INVESTMENT MANAGEMENT, INC.
a Delaware corporation

DocuSigned by:
By: Tim McCabe
Name: Tim McCabe
Title: Chief Legal Officer

SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND FHN FINANCIAL MAIN STREET ADVISORS, LLC

THIS SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("Second Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and FHN Financial Main Street Advisors, LLC, a Nevada limited liability company ("Contractor" or "Consultant").

WHEREAS, on February 18, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on August 17, 2021, the parties entered into the First Amendment to the Agreement for Consulting Services between the City and Consultant to remove certain services and define nondiscretionary investment management; and

WHEREAS, the Agreement expires January 31, 2023; and

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 amendment to the Agreement:

1. **SCHEDULE FOR COMPLETION**. Exhibit "B" of the Agreement is hereby amended to add Exhibit "B-1", which extends the Agreement to January 31, 2026. Exhibit "B-1" is attached hereto and incorporated by reference. Contractor shall commence and complete all services described in Exhibits "A" and "A-1" of the Agreement in accordance with the schedule set forth in Exhibit "B-1".

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

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Second Amendment in

Redondo Beach, California, as of this 17th day of January, 2023.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
William C. Brand
E6413C7231DF4E1...

William C. Brand, Mayor

FHN FINANCIAL MAIN STREET ADVISORS,
LLC, a Nevada limited liability company

DocuSigned by:
Rick Phillips
66D93CD7D29545F...

By:
Name: Rick Phillips
Title: Founder

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "B-1"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall be extended to January 31, 2026 ("Term"), unless otherwise terminated herein.

FIRST AMENDMENT TO THE
AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND FHN FINANCIAL MAIN STREET ADVISORS, LLC

THIS FIRST AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and FHN Financial Main Street Advisors, LLC, a Nevada limited liability company ("Contractor" or "Consultant").

WHEREAS, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement") effective February 18, 2020; and

WHEREAS, the parties desire to modify the scope of services.

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 amendment to the Agreement:

1. Scope of Service. Exhibit "A" of the Agreement is hereby amended to add Exhibit "A-1", which removes sections 14 and 15 of Exhibit "A" and defines nondiscretionary investment management. Exhibit "A-1" is attached hereto and incorporated by reference.

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

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 17th day of August, 2021.

CITY OF REDONDO BEACH,
a chartered municipal corporation

William C. Brand, Mayor

FHN FINANCIAL MAIN STREET ADVISORS, LLC, a Nevada limited liability company

By:
Name: RICK PHILLIPS
Title: PRESIDENT

ATTEST:

Eleanor Manzano, City Clerk

APPROVED:

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "A-1"

SCOPE OF SERVICES

CONSULTANT'S DUTIES

Consultant shall perform the following duties.

1. Provide nondiscretionary investment management of the City's investment portfolio in accordance with federal, state, and local rules, regulations, codes, laws, and ordinances, and the City of Redondo Beach, California Statement of Investment Policy ("City Investment Policy"). Nondiscretionary investment management shall be defined as follows.

    a. Upon written approval from the City, Consultant shall obtain at least three bids or offers prior to executing any trades on behalf of the City. However, multiple offers may not be available if the security is a new issue or offered by fewer than three broker/dealers. In that event, Consultant shall document the bids and offers received, and provide yield information to the City for comparable securities.

2. Transact purchases and sales of securities in the best interest of the City.

3. Use best efforts to advise the City of all investment decisions.

4. Send daily transaction information to the City Treasurer ("Treasurer") or designee via fax or e-mail.

5. Send daily transaction information to the City's custodian for trade settlement.

6. Provide confirmations, detailed reports and reconciliations of daily investment transactions, investment earnings, and performance results on a monthly, quarterly, and annual basis to meet all appropriate governmental reporting requirements of the City.

7. Provide suitable Administrative Reports, including monthly portfolio reports to present to the Mayor and City Council.

8. Conduct a quarterly investment meeting, in person or via the telephone, with the Treasurer and other applicable staff to present economic and market data, portfolio composition and transactions, a comparison of portfolio return performance and benchmarks, and any other reports deemed necessary by the Treasurer.

9. Provide a monthly analysis of the State's Local Agency Investment Fund ("LAIF").
10. Participate in compliance reviews and audits.

11. Conduct an annual review of the City Investment Policy.

12. Upon the request of the City Treasurer, present reports and respond to questions at a minimum of two public meetings.

13. Maintain City investment records on Sympro database.

AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND FHN FINANCIAL MAIN STREET ADVISORS, LLC

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and FHN Financial Main Street Advisors, LLC, a Nevada limited liability company ("Consultant" or "Contractor").

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."

2. Term and Schedule for Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.

2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings,

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL

reports, calculations, data, specifications, videos, graphics or other materials, shall be specific for the project herein and shall not be used by the City for any other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.

6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL DEPT

8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.

10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL

for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.

13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE

15. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

18. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

    The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents

exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.

23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

25. Time of Essence. Time is of the essence of this Agreement.

26. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

30. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL DEPARTMENT

shall be waived if not made within six (6) months after accrual of the cause of action.

31. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL DEPARTMENT

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 18th day of February, 2020.

CITY OF REDONDO BEACH,
a chartered municipal corporation

William C. Brand, Mayor

FHN FINANCIAL MAIN STREET ADVISORS, LLC, a Nevada limited liability company

By: Rick Phillips
Name: RICK PHILLIPS
Title: PRESIDENT

ATTEST:

Eleanor Manzano, City Clerk

APPROVED:

Jill Buchholz, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 18th day of February, 2020.

CITY OF REDONDO BEACH,
a chartered municipal corporation

William C. Brand, Mayor

FHN FINANCIAL MAIN STREET ADVISORS, LLC, a Nevada limited liability company

By: _____
Name: _____
Title: _____

ATTEST:

Eleanor Manzano, City Clerk

APPROVED:

Jill Buchholz, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

CONSULTANT'S DUTIES

Consultant shall perform the following duties.

1. Provide nondiscretionary investment management of the City's investment portfolio in accordance with federal, state, and local rules, regulations, codes, laws, and ordinances, and the City of Redondo Beach, California Statement of Investment Policy ("City Investment Policy").

2. Transact purchases and sales of securities in the best interest of the City.

3. Use best efforts to advise the City of all investment decisions.

4. Send daily transaction information to the City Treasurer ("Treasurer") or designee via fax or e-mail.

5. Send daily transaction information to the City's custodian for trade settlement.

6. Provide confirmations, detailed reports and reconciliations of daily investment transactions, investment earnings, and performance results on a monthly, quarterly, and annual basis to meet all appropriate governmental reporting requirements of the City.

7. Provide suitable Administrative Reports, including monthly portfolio reports to present to the Mayor and City Council.

8. Conduct a quarterly investment meeting, in person or via the telephone, with the Treasurer and other applicable staff to present economic and market data, portfolio composition and transactions, a comparison of portfolio return performance and benchmarks, and any other reports deemed necessary by the Treasurer.

9. Provide a monthly analysis of the State's Local Agency Investment Fund ("LAIF").

10. Participate in compliance reviews and audits.

11. Conduct an annual review of the City Investment Policy.

12. Upon the request of the City Treasurer, present reports and respond to questions at a minimum of two public meetings.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED AS TO FORM

13. Maintain City investment records on Sympro database.

14. Provide quarterly updates to City's Sympro files.

15. Provide a copy of the Sympro investment reporting files to the City.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence on February 1, 2020 and expire January 31, 2023 ("Term"), unless otherwise terminated herein.

CITY OF REDONDO BEACH APPROVED BY: CITY ATTORNEY'S OFFICE

EXHIBIT "C"

COMPENSATION

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

1. **AMOUNT**. Consultant shall be paid a monthly amount of $1,500. In no event shall the total compensation paid to Consultant exceed $18,000 for each annual term. In the event Consultant is paid a trade credit by an affiliate, that amount shall offset the City's monthly payment and the City shall only remit the remainder, if any is due. Any trade credits in excess of the City's payment(s) at the end of the current annual term shall be rolled over to the next annual term. Upon termination or expiration of this Agreement, the cash equivalent of any unused trade credits shall be deposited in the City's LAIF account.

2. **METHOD OF PAYMENT.** Consultant shall provide monthly invoice to City for approval and payment. Invoice shall be based on the monthly amount, any trade credit offsets, and trade credit rollovers (if applicable) in the month prior to the invoice submission. Invoice must be itemized, adequately detailed, based on accurate records, in a form reasonably satisfactory to City. Consultant shall provide any other back-up material upon request.

3. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within thirty (30) days of receipt of the City's monthly invoice, provided services are completed to City's full satisfaction.

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

Contractor:	FHN Financial Main Street Advisors, LLC 10655 Park Run Drive, Suite 120 Las Vegas, NV 89144 Attn: Rick Phillips, President and Chief Investment Officer
City:	City of Redondo Beach City Treasurer's Department 415 Diamond Street Redondo Beach, CA 90277 Attn: Steve Diels, City Treasurer

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL

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.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL DEPARTMENT

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, 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 work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: $1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL DEPARTMENT

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED AS TO FORM

SECOND AMENDMENT TO
AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND CANNON CORPORATION

THIS SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("Second Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Cannon Corporation, a California corporation ("Consultant" or "Contractor").

WHEREAS, on November 21, 2023, the parties hereto originally entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on September 17, 2024, the parties hereto entered into the First Amendment to the Agreement (the "First Amendment") to add compensation for civil design under Task A.1 of the Agreement in the amount of $10,460, thereby establishing a not to exceed total of $35,360; and

WHEREAS, the parties desire to increase the Consultant's total compensation limit; and

WHEREAS, the parties 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 amendment to the Agreement:

1. **COMPENSATION**. Exhibit "C" of the Agreement, as amended by Exhibit "C-1, is hereby amended to add Exhibit "C-2", increasing Consultant's total compensation by $4,840 for Task B.4 of the Agreement, and setting a new not to exceed total of $40,200. Exhibit "C-2" is attached hereto and incorporated herein by reference. Consultant shall be compensated for the services described in Exhibit "A".

2. **NO OTHER AMENDMENTS**. Except as expressly stated herein, the Agreement shall remain unchanged, and all conditions or requirement of the original Agreement shall remain in full force and effect. The Agreement, First Amendment, and this Second Amendment shall constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, and this Second Amendment, the terms of this Second Amendment shall govern.

[SIGNATURES ON NEXT PAGE]

FIRST AMENDMENT TO
AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND CANNON CORPORATION

THIS FIRST AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Cannon Corporation, a California corporation ("Consultant" or "Contractor").

WHEREAS, on November 21, 2023, the parties hereto originally entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, the parties desire to increase the Consultant's compensation limit; and

WHEREAS, the parties 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 amendment to the Agreement:

1. **COMPENSATION**. Exhibit "C" of the Agreement is hereby amended to add Exhibit "C-1", which increases Consultant's total compensation by $10,460, setting a new limit of $35,360; and updates the expenses and notice provisions. Exhibit "C-1" is attached hereto and incorporated herein by reference. Consultant shall be compensated for the services described in Exhibit "A".

2. **NO OTHER AMENDMENTS**. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreements with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall govern.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 17th day of September, 2024.

CITY OF REDONDO BEACH
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...
James A. Light, Mayor

CANNON CORPORATION,
a California corporation

Signed by:
57A1F396AB0E44F...
By: Lawrence P Kraemer
Name: Lawrence P Kraemer
Title: Director, Public Infrastructure Division

ATTEST:

DocuSigned by:
72F2AC716C214CF...
Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
ABED8CF35EEF48C...
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
669049EDE03D402...
Michael W. Webb, City Attorney

EXHIBIT "C-1"

COMPENSATION

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

I. **AMOUNT.** Consultant shall be paid in accordance with the rates set forth in the Agreement.

II. **REIMBURSABLE EXPENSE**. Expenses incurred by Consultant in performance of this work shall continue to be reimbursed in accordance with the following schedule.

Description	**Reimbursed Amount**
Specialty printing (other than B&W on standard ledger or tabloid size paper)	At cost
Delivery fees (UPS charges)	At cost
Travel	IRS mileage rate
City's Business License fees	At cost

No expense above $500 shall be reimbursed unless authorized in writing by the City prior to incurring the expense. In no event shall the total reimbursable expenses exceed $3,000.

III. **NOT TO EXCEED AMOUNT**. Notwithstanding the foregoing, the total amount paid to Consultant for each task shall not exceed the following amounts:

Description	**Amount**
A – Plans, Specifications and Cost Estimates	
1: Final PS&E	$ 13,460
B – Construction Support	
1: Pre-Construction Meeting	$ 900
2: Respond to RFIs	$ 4,000
3: Review Contractor Submittal	$ 3,500
4: As-Built Preparation	$ 9,500
5: Additional Project Management and Meetings	$ 1,000
Task Subtotal	**$ 32,360**
Reimbursable Expense Not to Exceed Amount	$ 3,000
Total Not to Exceed Amount	**$ 35,360**

IV. **METHOD OF PAYMENT.** Consultant shall provide monthly invoices to City for approval and payment both by email and mail.

A. Task number.
B. Title of personnel who performed work on the Task.

C. Description of the work performed.
D. Percentage of work completed
E. Fee or prorated fee (if applicable) for work performed
F. If applicable, expenses incurred

Invoice must be itemized, adequately detailed, based on accurate records, in a form reasonably satisfactory to City, and attach the prior written authorization of the City and copies of receipts to substantiate expense requests. Consultant shall submit a monthly invoice to the City by email and mail. Consultant shall provide any other back-up material upon request.

V. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within (30) days of the City's receipt and approval of the monthly invoice; provided, however, that services are completed to the City's reasonable satisfaction and there is no dispute over the amount.

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

Consultant: Cannon Corporation
16842 Von Karman Avenue, Suite 150
Irvine, CA 92606
Attention: Gary Solsona
Email: GaryS@cannoncorp.us

City: City of Redondo Beach
Public Works Department, Engineering Services Division
415 Diamond Street, Door E
Redondo Beach, CA 90277
Attention: Lauren Sablan, Acting City Engineer
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.

AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND CANNON CORPORATION

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Cannon Corporation, a California corporation ("Consultant" or “Contractor”).

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."

2. Schedule for Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.

2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials, shall be specific for the project herein and shall not be used by the City for any

other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.

6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may authorize extra and/or changed work. Consultant expressly recognizes that other

City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Consultant to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Consultant thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Consultant is of the opinion that any work which Consultant has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Consultant shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Consultant on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Consultant and the City.

8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.

10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination;

and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.

13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity Design Professional Services. In connection with its design professional services and to the maximum extent permitted by law, Consultant shall hold harmless and indemnify City, and its officials, officers, employees, agents, and designated volunteers (collectively, "Indemnitees"), with respect to any and all claims, demands, causes of action, damages, injuries, liabilities, losses, costs or expenses, including reimbursement of attorneys' fees and costs of defense, which arise out of, pertain to, or relate to in whole or in part to the negligence, recklessness, or willful misconduct of Consultant or any of its officers, employees, subcontractors, or agents in the performance of its design professional services under this Agreement.

    a. Other Indemnities. In connection with any and all claims, demands, causes of action, damages, injuries, liabilities, losses, costs or expenses, including

attorneys' fees and costs of defense (collectively, "Damages" hereinafter) not covered by the foregoing paragraph, and to the maximum extent permitted by law, Consultant shall defend, hold harmless and indemnify the Indemnitees with respect to any and all Damages, which arise out of, pertain to, or relate to the acts or omissions of Consultant or any of its officers, employees, subcontractors, or agents in the performance of this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the City. Consultant shall defend Indemnitees in any action or actions filed in connection with any such Damages. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

b. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

c. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

a. Acknowledgement. Consultant acknowledges that eight (8) hours labor constitutes a legal day's work. Consultant shall comply with and be bound by Labor Code Section 1810. Consultant shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Consultant shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8)

hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Consultant in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 11/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Consultant shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Consultant shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Consultant shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Consultant shall diligently take corrective action to halt or rectify the failure.

b. Prevailing Wages. City and Consultant acknowledge that this project is a public work to which prevailing wages apply. Consultant shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.

18. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.

23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

25. Time of Essence. Time is of the essence of this Agreement.

26. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

30. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

31. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 21st day of November, 2023.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
William C. Brand
E6413C7231DF4E1...

William C. Brand, Mayor

Cannon Corporation,
a California corporation

By: DocuSigned by:
Lawrence P Kraemer
57A1E396AB0F44F...

Name: Lawrence P Kraemer

Title: Director, Public Infrastructure Division

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CE35EEE48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

I. MANHATTAN BEACH BOULEVARD RESURFACING – AVIATION BOULEVARD TO INGLEWOOD AVENUE PROJECT DEFINITION

The Manhattan Beach Boulevard Resurfacing – Aviation Boulevard to Inglewood Avenue project (the "Project") involves street improvements for approximately one mile of Manhattan Beach Boulevard from Aviation Boulevard to Inglewood Avenue. Project scope includes repaving, restriping, signal improvements, median improvements, new landscaping and irrigation. Consultant shall finalize the Plans, Specifications and Estimate (PS&E) fit for bidding, support throughout the procurement and construction phase, and produce "As-Built" diagrams upon Project completion. Consultant shall perform the services as set forth below.

II. CONSULTANT'S DUTIES

Consultant shall perform the following duties:

A. Plans, Specifications, and Cost Estimates (PS&E):

1. Final PS&E. Ensure final engineering will advance to 100% PS&E construction documents suitable for construction bidding purposes. Address and resolve any gaps in the design caused by changes or pending design and policy decisions. Finalize construction details for the Project elements as part of this phase of the design process.

    a. Plans. In the plan set, include title sheet, typical sections and details sheet, street improvement plan sheets, signing and striping plan sheets, planting plan sheets, irrigation plan sheets, planting details sheet, irrigation details sheets, and traffic signal modification plan and details sheets. Ensure the final traffic signal design plan will include the new controller cabinet assembly, video detection system or loop detectors, EVP preemption, wireless interconnect, pull boxes, poles and mast arms, signs, crosswalks, audible pedestrian push buttons and countdown pedestrian signal faces, striping, safety lighting, phase diagram, Type II or III service, rewiring the intersection, etc., which shall be in conformance with current City of Redondo Beach, Caltrans, and CA MUTCD standards.

    b. Specifications. Supplement the City's standard materials and Plans in the construction documents by preparation Specifications, which shall include the Technical Specifications, Bid Schedule, and any needed Special Conditions and other information in support of Plans to communicate requirements of the Project. Ensure the Technical Specifications shall describe the necessary technical material or installation requirements to construct the Project per the design and

City standards. Further, ensure the Bid Schedule describes bid items required by the Plans and Specifications or otherwise required to accomplish the Project construction. Reference the Standard Specifications for Public Works Construction ("Greenbook"), 2021 Edition, current Caltrans Standard Specifications, or other appropriate specifications. Prepare a Bid Schedule that breaks down tasks into a sufficiently detailed manner for bid evaluation and progress payment preparation.

c. Final PS&E. Integrate the City's design review comments post the 100% PS&E submittal. Upon City's request, attend a pre-bid conference, to provide information to contractors and answer questions.

B. Construction Support:

1. Pre-Construction Meeting. Attend the pre-construction meeting, as requested by City staff, and address any questions received during or after the meeting. Prepare electronic as-built designs utilizing redline diagrams from the City's awarded contractor and the City's construction representative.

2. Respond to Requests for Information (RFI's). Respond to RFI's submitted by the City's awarded contractor. Prepare and distribute clarification drawings.

3. Review Contractor Submittals. Review City's awarded contractor's submittals/shop drawings. Complete shop drawing reviews within three (3) working days of receipt from the City.

4. As-Built Plan Preparation. Use the City's awarded contractor and City's construction representative redline drawings to prepare the electronic as-built drawings. Draft revision clouds around all construction revisions, and submit a bond copy, AutoCAD files, and a PDF copy of the final As-builts for the City's records.

5. Additional Project Management and Meetings. Upon City's request, attend additional meetings and respond to any questions received during or after the meeting.

III. CITY'S DUTIES

City will perform the following duties:

A. Coordinate the Project team meetings and correspondence.
B. Provide Project management services for the Project.
C. Pay fees to external agencies.

D. Furnish the front-end contract and insurance documents, to complete the specification package as outlined in Section II.A.b.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. term of this Agreement shall commence on November 21, 2023 and continue through November 20, 2025 ("Term"), unless otherwise terminated as herein provided. Upon City Manager's recommendation to the Mayor, this Agreement shall be extended for one-year subject to the same terms and conditions contained herein. However, no extension shall be effective unless the Mayor provides a written letter authorizing the extension at least fifteen (15) days prior to the expiration of the current term.

EXHIBIT "C"

COMPENSATION

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

I. **AMOUNT.** Consultant shall be paid in accordance with the attached rate schedule ("Attachment C-1").

II. **REIMBURSABLE EXPENSE**. Expenses incurred by Consultant in performance of this work shall be reimbursed in accordance with the following schedule.

Description	**Reimbursed Amount**
Specialty printing (other than B&W on standard ledger or tabloid size paper)	At cost
Delivery fees (UPS charges)	At cost
Travel	IRS mileage rate
City's Business License fees	At cost

No expense shall be reimbursed without prior written authorization from the City. In no event shall the total reimbursable expense exceed $3,000.

III. **NOT TO EXCEED AMOUNT**. Notwithstanding the foregoing, the total amount paid to Consultant for each task shall not exceed the following amounts.

Description	**Amount**
A – Plans, Specifications and Cost Estimates	
1: Final PS&E	$ 3,000
B – Construction Support	
1: Pre-Construction Meeting	$ 900
2: Respond to RFIs	$ 4,000
3: Review Contractor Submittal	$ 3,500
4: As-Built Preparation	$ 9,500
5: Additional Project Management and Meetings	$ 1,000
Task Subtotal	**$ 21,900**
Reimbursable Expense Not to Exceed Amount	$ 3,000
Total Not to Exceed Amount	**$ 24,900**

IV. **METHOD OF PAYMENT.** Consultant shall provide monthly invoices to City for approval and payment both by email and mail. The invoice shall include the following items.

A. Task number.
B. Title of personnel who performed work on the Task.

C. Description of the work performed.
D. Percentage of work completed
E. Fee or prorated fee (if applicable) for work performed.
F. If applicable, expenses incurred.

Invoice must be itemized, adequately detailed, based on accurate records, in a form reasonably satisfactory to City, and attach the prior written authorization of the City and copies of receipts to substantiate expense requests. Consultant shall submit a monthly invoice to the City by email and mail. Consultant shall provide any other back-up material upon request.

V. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within (30) days of the City's receipt and approval of the monthly invoice; provided, however, that services are completed to the City's reasonable satisfaction and there is no dispute over the amount.

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

Consultant: Cannon Corporation
16842 Von Karman Avenue, Suite 150
Irvine, CA 92606
Attention: Gary Solsona
Email: GaryS@cannoncorp.us

City: City of Redondo Beach
Public Works Department, Engineering Services Division
415 Diamond Street, Door E
Redondo Beach, CA 90277
Attention: Andrew S. Winje
Email: Andrew.winje@redondo.org

All notices, including notices of address changes, provided under this Agreement are deemed received on the next business day if by email and on the third day after mailing if sent by registered or certified mail. 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.

ATTACHMENT 1

RATE SCHEDULE

Cannon

2023/2024 Fee Schedule
Bill Rate Ranges

Assistant Resident Engineer	$ 150	$ 197
Associate Engineer	$ 168	$ 230
Associate Land Surveyor	$ 205	$ 223
Associate Landscape Architect	$ 169	$ 204
Automation Specialist	$ 157	$ 200
Automation Technician	$ 121	$ 142
CAD Tech	$ 101	$ 136
CAD Manager	$ 128	$ 159
Construction Inspector I - III	$ 119	$ 191
Design Engineer	$ 139	$ 184
Director/ Department Manager	$ 200	$ 297
Engineer Tech	$ 110	$ 144
Engineering Assistant I - II	$ 113	$ 139
Grant Funding Manager I - II	$ 151	$ 204
I&E Services Coordinator	$ 108	$ 138
Information Systems Admin/Manager	$ 128	$ 159
Land Surveyor	$ 187	$ 225
Landscape Architect	$ 125	$ 156
Landscape Designer I - II	$ 103	$ 142
Lead Automation Specialist	$ 167	$ 209
Lead Automation Technician	$ 127	$ 164
Lead Designer	$ 133	$ 175
Office Engineer / Document Control I-III	$ 114	$ 164
Plan Check Engineer I - II	$ 131	$ 192
Planner I - III	$ 121	$ 168
Planning Assistant	$ 98	$ 138
Principal Automation Specialist	$ 176	$ 219
Principal Designer	$ 127	$ 189
Principal Engineer	$ 198	$ 277

Other Direct Charges	
Black Line Plots	$2.00 per page
Outside Reproduction	Cost + 15%
Mylar Plots	$12.00 per sheet
Automation & Electrical Materials	Cost + 25% (+tax)
Subconsultant Fees	Cost + 10%
Technology Fee	$30/Day
Color Plots	$5.00 per page
Travel and Related Subsistence	Cost + 15%
Standard Mileage Rate	IRS Rate per mile
Airplane Mileage Rate	GSA Rate per mile

Project Designer	$ 122	$ 169
Project Engineer	$ 151	$ 199
Resident Engineer	$ 191	$ 235
Sr. Associate Architect	$ 209	$ 249
Sr. Associate Engineer	$ 173	$ 265
Sr. Automation Specialist	$ 172	$ 213
Sr. Automation Technician	$ 142	$ 180
Sr. CAD Tech	$ 113	$ 145
Sr. Consultant / Principal-in-Charge	$ 266	$ 333
Sr. Land Surveyor	$ 203	$ 263
Sr. Landscape Architect	$ 183	$ 221
Sr. Plan Check Engineer	$ 172	$ 217
Sr. Principal Designer	$ 139	$ 212
Sr. Principal Engineer	$ 210	$ 305
Sr. Project Designer	$ 122	$ 182
Sr. Project Engineer	$ 157	$ 215
Sr. Resident Engineer	$ 196	$ 246
Survey Assistant	$ 113	$ 142
Survey Technician I - V	$ 139	$ 208
Technical Writer I - IV	$ 113	$ 139

Survey Crew Rates - Regular		
One-Man Field	$ 207	$ 222
Two-Man Field	$ 289	$ 304
Three-Man Field	$ 380	$ 395
Two-Man - HDS	$ 332	$ 347

Survey Crew Rates - Prevailing Wage		
One-Man Field	$ 255	$ 271
Two-Man Field	$ 367	$ 389
Three-Man Field	$ 523	$ 539

Electrical - Prevailing Wage		
Electrician	$ 197	$ 240

Building and Construction Inspector - Prevailing Wage		
BCI Construction Inspector	$ 160	$ 190

Forensics Engineering / Expert Testimony Fee Schedule Available Upon Request.

Expenses, such as special equipment, shipping costs, travel other than by automobile, parking expenses, and permit fees will be billed at the actual cost plus 15%. If the client requests, or the client's schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the stated rates for weekdays for daily hours in excess of 8 as well as weekends, and a multiplier of 2.0 for daily hours in excess of 12 and holidays. If the client requests field services to be provided outside of normal working hours, a multiplier of 1.5 will be applied to the stated rates. For prevailing wage projects, if the client requests field services to be provided on any given Sunday, a multiplier of 2.0 will be applied to the stated rates; on or around an observed holiday, other rates may be applied. Survey Crews and Automation Field staff are billed portal to portal. A minimum charge of four hours will be charged for any Automation Field Service calls outside of normal working hours.

(effective 10/1/2023)

EXHIBIT “D”

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, 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 work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Errors and Omissions liability insurance appropriate to the consultant's profession. Architects' and Engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project/location.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Errors and Omissions liability: $1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such

deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Errors and Omissions policy, if written on a claims made basis, shall be maintained by the Consultant for a period of one year after the completion of the project.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements are to be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.

4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq*. concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

> "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.

Administrative Report

H.6., **File #** 25-1401 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE PURCHASE OF 479 COBRA HEAD STREET LIGHT FIXTURES FROM LEOTEK ELECTRONICS FOR A COST OF $144,927, FOUR DECORATIVE TUDOR-STYLE LIGHT FIXTURES FROM STRESSCRETE FOR A COST OF $6,610, AND VARIOUS LIGHT FIXTURES FROM WALTERS WHOLESALE ELECTRIC FOR A COST OF $47,483

EXECUTIVE SUMMARY

Approval of the recommended action would authorize the purchase of a variety of street light fixtures needed to replace existing, aging fixtures on El Redondo Avenue, the Riviera Village triangle parking lot, the Esplanade, and George Freeth Way. The fixtures would be purchased from three separate vendors for a total cost of $199,015.64.

BACKGROUND

Of the approximately 5,100 street lights located in Redondo Beach, 1,899 are owned and maintained by the City. The remainder are maintained by Southern California Edison. As street lights have an expected lifespan of seven to ten years, the Public Works Department must regularly replace aging fixtures. Accordingly, staff recommends the purchase of the following fixtures to ensure the lights under City management continue to be in good working order:

- 479 cobra head-style fixtures primarily for use on arterial streets
- 4 decorative Tudor-style fixtures for El Redondo Avenue
- 1,400 feet of string lights for the Riviera Village triangle parking lot
- 16 intersection safety lights for various locations
- 30 beachfront illumination floodlights for the Esplanade
- 30 beachfront illumination floodlights for George Freeth Way

The fixtures and accessories would be purchased from three well-known vendors for a total cost of $199,015.64. The City appropriated $200,000 in the Capital Improvement Program (CIP) Budget - City Street Light Replacement Account for the anticipated purchase.

Staff is recommending sole source purchases of the fixtures, as the units must match the existing lights and are only available through the identified vendors. To ensure the pricing was reasonable and competitive, staff reviewed other comparable products and confirmed that the pricing proposed by the three vendors is appropriate. The cobra head fixtures will be delivered in four phases as the Public Works Department has limited space available to store them prior to installation.

COORDINATION

The Public Works Department coordinated this report with the Financial Services Department and the three sole source vendors.

FISCAL IMPACT

The total cost to purchase the 479 cobra head street light fixtures, four decorative Tudor-style fixtures, and the variety of string lights, flood lights, and intersection safety lights is $199,015.64. $200,000 of funding is currently available in the Capital Improvement Program Budget - City Street Light Replacement Project Account #21060 to cover the cost.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Quote - Leotek Electronics, 479 Cobra Head Street Lights for $144,925.97
- Quote - Stresscrete, 4 Decorative Tudor-Style Fixtures for El Redondo Avenue for $6,606.95
- Quote - Walters Wholesale Electric, 1,400 feet of String Lights, 16 Intersection Safety Lights, 60 Beachfront Illumination Flood Lights for $47,482.72

LEOTEK ELECTRONICS USA, LLC.
C/O SOUTH COAST LIGHTING & DESIGN

1955 LUNDY AVE
SAN JOSE, CA 95131

408-380-1788 ph
408-518-8128 fx

To:	Job Name: REDONDO BEACH-LED COBRAHEAD STOCK 2025
Justin Reynolds CITY OF REDONDO BEACH 531 N GERTRUDA AVENUE PUBLIC WORKS DEPARTMENT REDONDO BEACH, CA 90277 PH: 310-318-0686 Fax 374-4718	Project Name: REDONDO BEACH-LED COBRAHEAD STOCK REDONDO BEACH,

Remarks: CREDIT CARDS ARE ACCEPTED - VISA, MASTERCARD, AMEX

Qty	Type	Mfg	Description	Unit Price	Extd.Price
			QUOTING DIRECT TO CITY OF REDONDO BEACH		
120		LEOT	GCM1-60J-MV-40K-3R-GY-125-WL [200W EQ]	$269.00	$32,280.00
120		LEOT	GCM1-60J-MV-40K-3R-GY-125-WL [200W EQ]	$269.00	$32,280.00
			2ND SHIPMENT RELEASE DATE 3 MONTHS FROM FIRST ORDER		
120		LEOT	GCM1-60J-MV-40K-3R-GY-125-WL [200W EQ]	$269.00	$32,280.00
			3RD SHIPMENT RELEASE DATE 3 MONTHS FROM 2ND ORDER		
119		LEOT	GCM1-60J-MV-40K-3R-GY-125-WL [200W EQ]	$269.00	$32,011.00
			4TH SHIPMENT RELEASE DATE 3 MONTHS FROM 3RD ORDER		
50		LEOT	HSSJGCM	$32.00	$1,600.00
50		LEOT	FSSJGCM	$32.00	$1,600.00
479		SCL	RIPLEY SHORTING CAPS 6005-BLK, SHIPPED AT ONE TIME BY SCL (COST INCLUDED IN THE LEOTEK FIXTURE COSTS)		
			SUBTOTAL BEFORE TAX		$132,051.00
1		TAX	TOTAL TAX @ 9.75%		$12,874.97
			PLEASE MAKE ENTIRE PO OUT TO: LEOTEK		
			C/O SOUTH COAST LIGHTING & DESIGN		
			TOTAL:		**$144,925.97**

MFG Code	TERMS	Lead Time
LEOT	FREIGHT ALLOWANCE IS $3,000+	
SCL	NET 30, OAC	

Prices firm for entry by: 30 Days	Shipment by: PER QUOTE	Lead Time: 6-8 Weeks

~ PLEASE SEND ORDERS TO: YOUR INSIDE SALES REPRESENTATIVE

ANCHOR BOLTS SHIPPED PRIOR MAY BE SUBJECT TO A FREIGHT CHARGE NOT TO EXCEED $250.00

**AT TIME OF ORDER, WE WILL REQUIRE AN ADDITIONAL NOTE WHICH STATES THAT OUR MFG IS CLEARED TO DELIVER MATERIAL TO YOU.

~ PLEASE INCLUDE THE SOUTH COAST LIGHTING QUOTE # ON YOUR PO

1. ANY CHANGES WILL REQUIRE A NEW QUOTE. IF THE COMPLETE QUOTE IS NOT USED THEN A NEW QUOTE WILL BE NEEDED.
2. CITY OF LOS ANGELES PROJECTS THAT ARE QUOTED WILL REQUIRE AT LEAST 25 WORKING DAYS FOR STRUCTURAL CALCS & SUBMITTALS.
3. ALL PROJECTS WILL REQUIRE 10-25 DAYS OR LESS FOR STRUCTURAL CALCS & SUBMITTALS.
4. SOUTH COAST LIGHTING & DESIGN, INC (SCL) OR ITS MANUFACTURERS WILL NOT ASSUME RESPONSIBILITY IF YOU DO NOT VERIFY YOUR WRITTEN REQUEST WITH THIS QUOTED BILL OF MATERIALS.
5. SALES TAX IS NOT INCLUDED UNLESS STATED ON QUOTE. IF SALES TAX IS TO BE ADDED AT TIME OF THE ORDER THEN A NEW QUOTE WILL BE ISSUED.
6. THIS QUOTATION IS SUBJECT TO MANUFACTURER'S TERMS AND CONDITIONS.
7. THIS QUOTATION IS MADE WITHOUT BENEFIT OF COMPLETE PLANS AND SPECIFICATIONS. IT IS YOUR RESPONSIBILITY TO INSURE THIS QUOTE ACCURATELY REPRESENTS YOUR BILL OF MATERIAL. IF A SUBSTITUTION IS QUOTED, SCL WILL NOT GUARANTEE APPROVAL UNLESS STATED ON THE QUOTE. THE QUOTE IS BASED ON PART NUMBERS.
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20. ALL POLES TO BE UNWRAPPED ON DELIVERY; ALL POLES SHOULD BE UNWRAPPED AND REVIEWED UPON DELIVERY
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23. SEND NEW ORDERS TO NEWORDER@SOUTHCOASTLIGHTING.COM AND COPY PERSON WHO ORIGINALLY SENT OUT QUOTE.

Printed: 09/09/25 13:37:27 Per: Julie Poncy Email: JULIEP@SOUTHCOASTLIGHTING.COM

STRESSCRETE
C/O SOUTH COAST LIGHTING & DESIGN

14503 WALLICK ROAD
ATCHISON, KS 66002

800-268-7809 ph
416-632-9301 fx

To:	Job/Project Name:
Justin Reynolds CITY OF REDONDO BEACH 531 N GERTRUDA AVENUE PUBLIC WORKS DEPARTMENT REDONDO BEACH, CA 90277 PH: 310-318-0686 Fax 374-4718	REDONDO BEACH-EL REDONDO 2025 REDONDO BEACH,

Remarks: CREDIT CARDS ARE ACCEPTED - VISA, MASTERCARD, AMEX

Qty	Type	Mfg	Description	Unit Price	Extd.Price
			QUOTING CITY OF REDONDO BEACH ONLY		
4		STCR	K56-S-T-SAR-V-(MOG)-120-#6-SM BILLIARD GREEN	$1,505.00	$6,020.00
			MATCHES EXISTING LOOK		
			SUBTOTAL BEFORE TAX		$6,020.00
1		TAX	TOTAL TAX @ 9.75%		$586.95
			PLEASE MAKE PO OUT TO: STRESSCRETE C/O SOUTH COAST LIGHTING & DESIGN		
			TOTAL:		**$6,606.95**

MFG Code	TERMS	Lead Time
STCR	STRESSCRETE FREIGHT IS INCLUDED	

Prices firm for entry by: 30 Days	Shipment by: PER QUOTE	Lead Time: 15-17 Weeks

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Printed: 08/01/25 12:21:11 Per: Julie Poncy Email: JULIEP@SOUTHCOASTLIGHTING.COM

Walters
WHOLESALE ELECTRIC

WALTERS - TORRANCE
22881 LOCKNESS AVENUE
TORRANCE, CA 90501-5103
310-325-5077
Fax 310-325-0989

Quotation

QUOTE DATE	QUOTE NUMBER	PAGE NO.
07/18/2025	S128378695	1 of 1
CUST PO#:	TRIANGLE	
JOB/REL#:		

QUOTE TO:

CITY OF REDONDO BEACH
531 N GERTRUDA AVE
REDONDO BEACH, CA 90277-2129

SHIP TO:

CITY OF REDONDO BEACH
531 N GERTRUDA AVE
REDONDO BEACH, CA 90277-2129

CUSTOMER NUMBER	CUSTOMER PHONE	ORDERED BY	SALESPERSON
182712	310-372-1171	JUSTIN REYNOLDS	HOUSE ACCOUNT

WRITER	SHIP VIA	TERMS	EXPIRATION DATE	FREIGHT EXEMPT
SCOTT KNOOB 310-325-5077	PICK UP	MFG DISC 10TH, NET 25TH	07/23/2025	No

ORDER QTY	DESCRIPTION	UNIT PRICE	EXT PRICE
14ea	AMLGT LS-MS-24-100-BK STRING LT FX 24" OC MEDIUM BASE SUSPENDED LT KIT 1200W MAX	179.320/ea	2510.48
56ea	AMLGT S14-LED-WW BOX 25 STD LED S14 LAMP7 LEDSPLASTIC LENS1.5WWARM WHITE LAMP7 LEDSPLASTIC LENS1.5WWARM WHITE	111.570/ea	6247.92
16ea	QUOTE ITEM: PER EA/1 NAV-SA2C-740-U-T3	1181.120/ea	18897.92
30ea	RAB X17XFU140T FA SELECT 70/100/140W 3K-4K-5K TRUNION MOUNT BZ LIGHT FIXTURE	330.440/ea	9913.20
30ea	RAB X17XFU140SF FLOOD X17 FA 140-100-70W 3K-4K-5K W/SF PC BZ	330.440/ea	9913.20

Prices listed on this quotation are subject to change without notice beyond expiration date, include only the equipment listed and do not include any sales tax unless noted otherwise. Expiration date does not apply to commodity pricing which may be subject to change after 24 hours. Special order items cannot be cancelled unless the manufacturer permits cancellation. NOTE, Pricing does not account for potential future U.S. tariffs, which may impact costs. Good-thru

Subtotal	47482.72
Shipping Chgs	0.00
Amount Due	47482.72

Printed By KNOSCO on 7/24/2025 12 42 43 PM EST

Administrative Report

H.7., **File #** 25-1432 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE AMENDMENT NO. 9 TO FUNDING AGREEMENT #MOU.MR312.20 BETWEEN THE CITY OF REDONDO BEACH AND METRO FOR THE AVIATION BOULEVARD AT ARTESIA BOULEVARD INTERSECTION IMPROVEMENTS PROJECT, JOB NO. 40780, TO ADD AN ADDITIONAL $400,000 IN MEASURE R FUNDS IN FISCAL YEAR 2025-26.

EXECUTIVE SUMMARY

The City of Redondo Beach has received $15.748 million from Los Angeles County Metropolitan Transportation Authority (Metro) in Measure R Highway Program funds for seven regional street improvement projects endorsed by the Infrastructure Working Group of the South Bay Cities Council of Governments (SBCCOG). One of these projects, the Aviation Boulevard at Artesia Boulevard Intersection Improvements (Northbound Right Turn Lane Addition) Project, Job No. 40780, has received $4.957 million for design, right-of-way acquisition and construction. Final construction of the project, which is scheduled to begin shortly, requires an additional $400,000 to complete. The additional funding was approved by the Metro Board of Directors and brings the City's total amount for the Project to $5.357 million.

BACKGROUND

Measure R is a one-half cent sales tax approved by Los Angeles County voters in November 2008 to meet the transportation needs of Los Angeles County. The City of Redondo Beach previously received $15.748 million from Metro, in Measure R Highway Program funds, for seven regional street improvement projects endorsed by the Infrastructure Working Group of the SBCCOG. Including the proposed ninth amendment, Metro's funding commitments include:

PCH Arterial Improvements from Anita to PV Blvd	$2,400,000
Anita St, PCH to Maria Westbound Channelization	$2,400.000
Kingsdale Ave at Artesia Intersection Improvements	$1,992,000
PCH/Torrance Right Turn Lane Improvements	$ 935,000
PV Blvd/PCH Right Turn Lane Improvements	$ 389,000
Aviation/Artesia Right Turn Lane Addition Project	$5,357,000
Inglewood/MBB Right Turn Lane Improvements	$5,175,000
Total:	$18,648,000

In 2012, the City Council awarded contracts to Overland, Pacific and Cutler, Inc. for right-of-way acquisition services and to RBF Consulting, Inc, which is now Michael Baker International, Inc., for

design services.

The right-of-way acquisition for this project was fiercely contested by the adjacent property owner which caused the City to undertake a lengthy eminent domain process.

On May 19, 2020, the City Council, via Resolution No.CC-2005-034, adopted the Initial Study and Negative Declaration No. 2020-XX-IES-MND-OOX in compliance with CEQA for the addition of a northbound right turn lane from Aviation Boulevard to Artesia Boulevard in the City of Redondo Beach. Following that, the City Council adopted the Resolution of Necessity to acquire the right of way required for the Project on January 19, 2021.

On February 4, 2025, the City Council approved plans, specifications and estimates for this project and instructed the City Clerk to advertise the project for bidding as soon as the right-of-way settlement was reached.

The court assigned to the eminent domain case ruled favorably for the City and, on May 13, 2025, the final compensation phase and settlement agreement was finalized. As part of the Settlement Agreement, the City has 12 months to complete construction. On May 29, 2025, the City Clerk initiated construction bidding.

The City Council awarded the construction contract to, DASH Construction Co. on August 5, 2025, with work scheduled to begin in October. The project is anticipated to take about 120 working days to complete.

COORDINATION

The proposed ninth amendment for additional funds has been coordinated with the SBCCOG and Metro. The City Attorney's Office approved the amendment as to form.

FISCAL IMPACT

This project is fully funded by restricted transportation funding provided by Metro. Including the amendment, $5,357,000 in Regional Measure R Grant funds will be available for the Project. The total grant funding is sufficient to cover all project costs including design, legal fees, property acquisition costs, and construction. Grant funds are paid to the City on a cost reimbursement basis. Any unused grant funds following project completion and closeout would be released and made available for future qualifying projects under Metro's Measure R South Bay Highway Program.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Amendment No 9 to MOU.MR312.20, Aviation Blvd at Artesia Blvd Intersection Improvements.
- Aviation at Artesia RTO Total Project Budget and Expenditure Plan, September 30, 2025

AMENDMENT No.9
TO MEASURE R FUNDING AGREEMENT
BETWEEN CITY OF REDONDO BEACH AND THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

This Amendment No. 9 to the Funding Agreement (this "Amendment"), is dated as of July 23, 2025, by and between the City of Redondo Beach ("Grantee") and the Los Angeles County Metropolitan Transportation Authority ("LACMTA").

RECITALS:

A. Grantee and LACMTA entered into that certain Funding Agreement No. MOU.MR312.20 dated August 15, 2011, which was amended on January 30, 2017, December 1, 2017, May 15, 2019, August 31, 2019, August 25, 2020, October 8, 2021, January 31, 2024, and May 6, 2025 (as amended the "Existing FA"), which Existing FA provides for the Plans, Specifications and Estimates (PS&E), Right-of-Way, and Construction of Aviation Boulevard at Artesia Boulevard Intersection Improvements (the "Project"); and

B. WHEREAS, the Grantee desires to increase the Project's budget of Measure R by $400,000 from $4,957,000 to $5,357,000. This amount is within the Board authorized budget increase for the Project, the total new Project budget is $5,357,000 which was approved by the LACMTA Board on June 26, 2025; and

C. WHEREAS, the Funds are currently programmed for the Project as follows: $847,000 in Measure R Funds in FY 2011-12, $1,060,000 in Measure R Funds in FY 2021-22, $550,000 in Measure R Funds in FY 2023-24, $1,000,000 in Measure R Funds in FY 2024-25, and $1,900,000 in Measure R Funds in FY 2025-26. The total designated amount for the Project is $5,357,000; and

D. Grantee and LACMTA desire to amend the Existing FA as provided herein.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. Part I, Paragraph 2.2 of the Existing FA is hereby amended by deleting it in its entirety and replacing it with the following: "To the extent the Measure R funds are available, LACMTA shall make to GRANTEE a grant of the Measure R funds in the amount of $5,357,000 (the "Funds") for the Project. LACMTA Board of Directors actions on February 24, 2011, July 22, 2021, June 22, 2023, July 25, 2024, March 27, 2025, and June 26, 2025 granted the Measure R Funds for the Project. The Funds are currently programmed in five (5) Fiscal Years: $847,000 in FY 2011-12; $1,060,000 in FY 2021-22; $550,000 in FY 2023-24; $1,000,000 in FY 2024-25, and $1,900,000 in FY 2025-26."

2. Attachment A-3 of the Existing FA is hereby replaced by Attachment A-4, attached.

3. Attachment B-1-8 of the Existing FA is hereby replaced by Attachment B-1-9, attached.

4. Attachment C-7 – Scope of Work of the Existing FA is hereby amended by deleting the Project Budget and replacing it with the following Revised Project Budget:

PROJECT BUDGET:

COMPONENT	AMOUNT
PS and E	797,000
RW Support	910,000
Construction Support	175,000
R/W	2,350,000
Construction Capital	1,125,000
Total Budget	$5,357,000

5. Attachment E-2 – TIP Sheet of the Existing FA is hereby replaced by Attachment E-3, attached.

6. Except as expressly amended hereby, the Existing FA remains in full force and effect as originally executed. All rights and obligations of the parties under the Existing FA that are not expressly amended by this Amendment shall remain unchanged.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 9 to the FA to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____ Date: _____
Stephanie Wiggins
Chief Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____ Date: 9/26/25
Deputy

GRANTEE:

CITY OF REDONDO BEACH

By: _____ Date: _____
James A. Light
City Mayor

APPROVED AS TO FORM:

By: _____ Date: _____
Joy A. Ford
City Attorney

ATTEST:

By: _____ Date: _____
Eleanor Manzano
City Clerk

FTIP #: LA0G721

ATTACHMENT A-4 - PROJECT FUNDING

Measure R Program - Funding Agreement Projects - FA# MOU.MR312.20 A-9

Project Title: Aviation Boulevard at Artesia Boulevard Intersection Improvements Project#: MR312.20

PROGRAMMED BUDGET - SOURCES OF FUNDS

SOURCES OF FUNDS	Prior Years	FY2021-22	FY 2023-24	FY2024-25	FY2025-26	FY2026-27	Total Budget	% of Budget
LACMTA PROGRAMMED FUNDING								
MEASURE R FUNDS	$ 847,000	$ 1,060,000	$ 550,000	$ 1,000,000	$ 1,900,000		$ 5,357,000	
LACMTA PROGRAMMED FUNDS BY YEAR SUBTOTAL	$ 847,000	$ 1,060,000	$ 550,000	$ 1,000,000	$ 1,900,000	$ -	$ 5,357,000	100%
OTHER SOURCES OF FUNDING:								
LOCAL:							$ -	0%
STATE:							$ -	0%
FEDERAL:							$ -	0%
PRIVATE OR OTHER:							$ -	0%
OTHER FUNDING SUBTOTAL	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0%
TOTAL PROJECT FUNDS	$ 847,000	$ 1,060,000	$ 550,000	$ 1,000,000	$ 1,900,000	$ -	$ 5,357,000	100%

ATTACHMENT B1-9 - EXPENDITURE PLAN COST & CASH FLOW BUDGET

Measure R Program - Funding Agreement Projects - FA# MOU.MR312.20 A-9

Project Title: Aviation Boulevard at Artesia Boulevard Intersection Improvments Project#: MR312.20

PROGRAMMED SOURCES OF FUNDS

SOURCES OF FUNDS	Prior Expenditures	FY 2024-25 Qtr 3	FY 2024-25 Qtr 4	FY 2025-26 Qtr 1	FY 2025-26 Qtr 2	FY 2025-26 Qtr 3	FY 2025-26 Qtr 4	FY 2026-27 Qtr 1	FY 2026-27 Qtr 2	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:										
MEASURE R FUNDS:										
PAED										$0
PS&E	$617,887	$39,113	$40,000	$30,000	$30,000	$20,000	$20,000			$797,000
RW Support	$499,334	$50,666	$150,000	$75,000	$55,000	$40,000	$40,000			$910,000
Const. Support					$60,000	$70,000	$45,000			$175,000
RW	$429,000	$21,000		$1,900,000						$2,350,000
Construction					$350,000	$500,000	$275,000			$1,125,000
Total MEASURE R	**$1,546,221**	**$110,779**	**$190,000**	**$2,005,000**	**$495,000**	**$630,000**	**$380,000**	**$0**	**$0**	**$5,357,000**
PROP C 25%										
PAED										$0
PS&E										$0
RW Support										$0
Const. Support										$0
RW										$0
Construction										$0
Total PROP C 25%	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
SUM PROG LACMTA FUNDS:	**$1,546,221**	**$110,779**	**$190,000**	**$2,005,000**	**$495,000**	**$630,000**	**$380,000**	**$0**	**$0**	**$5,357,000**
SUMMARY OF ALL FUNDS										
PAED	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
PS&E	**$617,887**	**$39,113**	**$40,000**	**$30,000**	**$30,000**	**$20,000**	**$20,000**	**$0**	**$0**	**$797,000**
RW Support	**$499,334**	**$50,666**	**$150,000**	**$75,000**	**$55,000**	**$40,000**	**$40,000**	**$0**	**$0**	**$910,000**
Const. Support	**$0**	**$0**	**$0**	**$0**	**$60,000**	**$70,000**	**$45,000**	**$0**	**$0**	**$175,000**
RW	**$429,000**	**$21,000**	**$0**	**$1,900,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$2,350,000**
Construction	**$0**	**$0**	**$0**	**$0**	**$350,000**	**$500,000**	**$275,000**	**$0**	**$0**	**$1,125,000**
TOTAL MILESTONES	**$1,546,221**	**$110,779**	**$190,000**	**$2,005,000**	**$495,000**	**$630,000**	**$380,000**	**$0**	**$0**	**$5,357,000**
SUM PROG LACMTA FUNDS	**$1,546,221**	**$110,779**	**$190,000**	**$2,005,000**	**$495,000**	**$630,000**	**$380,000**	**$0**	**$0**	**$5,357,000**
SUM NON-LACMTA FUNDS	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
TOTAL PROJECT FUNDING	**$1,546,221**	**$110,779**	**$190,000**	**$2,005,000**	**$495,000**	**$630,000**	**$380,000**	**$0**	**$0**	**$5,357,000**

Los Angeles Metropolitan Transportation Authority

2025 Federal Transportation Improvement Program ($000)

TIP ID **LA0G721** Implementing Agency **Redondo Beach, City of**

Project Description: N58 - Aviation Blvd. Intersection Improvements at Artesia Blvd. Plans, specifications, estimates, obtaining right of way, and construction of a right turn only lane on northbound Aviation Blvd at Artesia Blvd. Project No. MR312.20. FA No. MOU.MR312.20.

SCAG RTP Project #: 1AL04
Study:N/A Is Model: NO Model #:
PM: Didar Khandker - (310) 318-0661
Email: didar.khandker@redondo.org
LS: N LS GROUP#:
Conformity Category: EXEMPT - 93.127

System :Local Hwy | Route : | Postmile: | Distance: | Phase: Construction/Project Implementation begins | Completion Date 12/31/2026

Lane # Extd: | Lane # Prop: | Imprv Desc: | Air Basin: SCAB | Envir Doc: CATEGORICALLY EXEMPT - 06/28/2011

Toll Rate: 0.00 | Toll Colc Loc: | Toll Method: | Hov acs eg loc: | Uza: Los Angeles-Long Beach-Santa Ana | Sub-Area: | Sub-Region: South Bay Cities COG

CTIPS ID: | EA #: | PPNO:

Program Code: NCRH1 - INTERSECTION IMPROVEMENTS/CHANNELIZATION Stop Loc:

	PHASE	PRIOR	24/25	25/26	26/27	27/28	28/29	29/30	BEYOND	PROG TOTAL
MR20H - Measure R 20% Highway	PE	$125	$672	$0						$797
	RW	$260	$1,938	$1,062						$3,260
	CON	$462	$0	$838						$1,300
	SUBTOTAL	$847	$2,610	$1,900						$5,357
	TOTAL	**$847**	**$2,610**	**$1,900**						**$5,357**

TOTAL PE: $797 **TOTAL RW: $3,260** **TOTAL CON: $1,300** **TOTAL PROGRAMMED: $5,357**

- General Comment: Metro Board approved increasing Measure M 20% to $4.957M. Large cost increase is due to: 1) Prolonged Eminent Domain process incurred significant ROW support cost, 2) Court settled the ROW compensation amount, and 3) Construction cost escalation. On June 26, 25, Metro Board approved additional $400K in Measure M 20% funds for ROW. Please find the Board Report attached.
- Modeling Comment:
- TCM Comment:
- Amendment Comment:
- CMP Comment:
- Narrative:

Last Revised **Amendment 25-15 - Submitted** **Change reason**:COST INCREASE **Total Project Cost** **$5,357**

Aviation at Artesia RTO
Total Project Budget and Expenditure Plan

Date of Estimate Prepared: **9/30/2025**

Budget:

Metro Measure R Funds:		Approved Funds	Total	
8/15/2011	Original Funding Agreement	847,000		Original FA
7/22/2021	Metro Board approved	1,060,000		FA Amendment #6
6/14/2023	Metro Board approved	550,000		FA Amendment #7
7/17/2024	Metro Board approved	1,000,000		FA Amendment #8
Feb-25	Metro Board approved	1,500,000		FA Amendment #8
Jun-25	Metro Board approved	400,000		Current FA Amendment #9
	Total:		**5,357,000**	

Expenditure:

As of 9/30/25	Total Expenditure, billed to date to Metro	3,546,400		Includes RW Payment in full
	Michael Baker remaining balance	16,800		
	Construction Estimate with 20% contin.	737,400		DASH Construction Co.
	Construction Management & Inspection	273,000		Southstar Engineering
	PM Cost till project completion	47,400		
	Total Projected Expenditure		4,621,000	
As of 9/30/25	Budget Surplus/Shortfall:		736,000	

Administrative Report

H.8., **File #** 25-1433 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE PURCHASE OF ONE CASE FORKLIFT AND ONE CASE ASPHALT COMPACTOR FROM SONSRAY MACHINERY FOR USE BY THE PUBLIC WORKS DEPARTMENT FOR A TOTAL COST OF $230,477

EXECUTIVE SUMMARY

The Fiscal Year 2025-26 Adopted Budget included funding for the replacement of a Public Works Department Fleet Services Division forklift (Unit #364) and a Street Services Division roller/asphalt compactor (Unit #340). Accordingly, this item seeks approval of the purchase of one Case Forklift Model 588H 4WD and one Case Asphalt Compactor Model DV36E. Competitive pricing for the purchases was secured through the City's regular purchasing procedures.

BACKGROUND

In June 2025, the City Council approved Decision Package #51 - *Annual Vehicle Replacement Purchases* as a part of the FY 2025-26 Adopted Budget which appropriated $1,347,474 for the replacement of 14 City vehicles and other required equipment. The DP included funding for the replacement of two Public Works vehicles/equipment: Unit # 364 - forklift and Unit #340 - roller/asphalt compactor that are at the end of their useful lives. If the purchases are approved, the vehicles will be ordered with delivery anticipated in one to two months.

The total purchase price for the Fleet Services forklift (Unit #364) is $144,343 and the total purchase price for the Street Services roller (Unit #340) is $86,133. The cost is more than has been saved over the 22-year lifespan of the units. The estimated purchase price in FY 2003-04 was significantly lower than what can be found on the market today and the Replacement Fund formula for these units has not kept pace with their inflationary costs. Additionally, the requested Case Model 588H forklift, provides an additional 2,000lbs. of lift capability over the current model. This additional capability, totaling 8,000lbs, is critical for safe operations in the Fleet Services Division given the increase in size and weight of loads handled over the last 22 years, including heavier electric battery vehicles.

In the FY 2025-26 Budget, $142,726 was set aside for the replacement of Units #364, and #340. The $87,751 difference in funding between the budgeted amount and the final purchase price is available in the Public Works Department Operating Budget as a result of cost savings associated with the recent purchases of Ford Mavericks rather than the originally planned Ford F250s. As such, there is no additional appropriation required for the purchase of the two proposed Public Works units.

The vehicles and equipment approved for replacement as part of the FY 2025-26 Budget and the

status of their acquisition is as follows:

Vehicle Replacement Fund - Decision Package						
Unit	Year	Description	Assigned	Dept	Total Funding Per Unit	Status
340	2004	BOBCAT ROLLER	STREETS	PW	$ 61,093	Recommended
861	2017	TAYLOR-DUNN ELECT CART	UPLANDS MAINT	PW	$ 17,890	Delivered
862	2017	TAYLOR-DUNN ELECT CART	UPLANDS MAINT	PW	$ 17,992	Delivered
863	2017	TAYLOR-DUNN ELECT CART	UPLANDS MAINT	PW	$ 17,890	Delivered
864	2017	TAYLOR-DUNN ELECT CART	UPLANDS MAINT	PW	$ 17,890	Delivered
899	2017	TAYLOR-DUNN ELECT CART	UPLANDS MAINT	PW	$ 17,890	Delivered
364	2003	CAT RC60 FORKLIFT	FLEET SERVICES	PW	$ 81,633	Recommended
20	2013	FORD TRANSIT CONNECT	BUILDING	PW	$ 35,505	
103	2009	FORD F-250 PICKUP-EQ	FLEET	PW	$ 38,367	
Units Previously Approved by Council - Funding re-appropriation request						
333	2006	CHEVROLET CC7500 CNG DUMP T	STREETS	PW	$ 203,938	
350	2006	GMC TC 7500 CNG KNUCKLE BOOM	STREETS	PW	$ 295,990	
200	2006	GMC TC 7500 INSULATED MANLIFT	STREETS	PW	$ 287,546	
G-1	1999	CATEPILLAR 3306 GENERATOR	SEWER	PW	$ 159,632	
G-3	2000	MQ POWER DCA-25SSIU	SEWER	PW	$ 78,560	
					$ 1,331,814	
207		PIER SCRUBBER			$ 15,660	Delivered
					$ 1,347,474	

Competitive pricing for the forklift and roller/asphalt compactor was secured through the City's regular purchasing procedures, which contain a number of competitive purchasing options including the use of a Piggyback Bid. This enables the City to procure goods or services by utilizing another public entity's recent Request for Proposal, competitive bid, or a cooperative purchasing program. Cooperative purchasing programs provide valuable benefits to state and local governments that allow organizations to attach to national or regional cooperatives. This allows the City to have immediate access to legitimately solicited contracts that guarantee pricing and delivery options without expending staff resources on the preparation of its own competitive proposal. Pricing is often better than what the City could obtain independently due to the increased purchasing power of these cooperatives. If approved, the forklift and roller/asphalt compactor recommended for replacement would be acquired via Sourcewell Master Contract #011723-CNH.

COORDINATION

The Public Works Department coordinated this report with the Financial Services Department.

FISCAL IMPACT

Funding for the purchase of the recommended units was approved as part of the FY 2025-26 Adopted Budget via Decision Package #51 - *Annual Vehicle Replacement Purchases*. Specifically, $142,726 was set aside for the replacement of Units #364 and #340. Funding for the $87,751 difference between the budgeted amount and the final purchase price is available in the Public Works Department Operating Budget as a result of cost savings associated with the recent purchases of

Ford Mavericks rather than the originally planned Ford F250s. No additional appropriation to the Public Works Operating Budget is required to complete the recommended purchases.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS
- Quote - Sonsray Machinery Unit #364, Case Model 588H 4WD
- Quote - Sonsray Machinery Unit #340, Case Model DV36E

SONSRAY MACHINERY

Together WE MOVE MOUNTAINS
ARIZONA CALIFORNIA NEVEDA NEW MEXICO OREGON TEXAS WASHINGTON

CASE CONSTRUCTION

10950 South Norwalk Blvd. · Santa Fe Springs · CA · 90670 TEL: (562) 903-7377
www.SonsrayMachinery.com

Ship To: CITY OF REDONDO BEACH
531 NORTH GERTRUDA AVENUE
REDONDO BEACH CA 90277
Invoice To: CITY OF REDONDO BEACH
531 NORTH GERTRUDA AVENUE
REDONDO BEACH CA 90277

Attention: Mike Klein

Santa Fe Springs
October 3, 2025
BP0016771

ktaylor-0625
310-318-0601
Purchase Order:

Sales Person: Kent Taylor

EQUIPMENT QUOTE/SALES ORDER

2025 CASE 588H 4WD T4 FINAL	Serial #: JJGN580HJSC790473 Stock #: EQ0072792	$96,396.80

SOURCEWELL CONTRACT # 011723-CNH.Contract Period: 04/04/2023 - 04/14/2027 Pricing Revised: 5/15/2025 CITY OF REDONDO BEACH California Los Angeles. County. Members Account # 32882 - CNH Specified discount off List Price/MSRP plus freight, setup, and local delivery. Also surcharge, but this must be placed on a separate line item. These discounts are not allowed with wholesale and/or retail discount(s). BASE LIST PRICE $120,496.00 - LESS SOURCEWELL DISCOUNT 20% ($-24,099.20) = 96,396.80*** *** Sourcewell Discount Applied

NEW CASE 588H 4WD T4 FINAL
15' Str.mst60"Car 48"Hk Frks
Auxiliary Valve
Load Control
Deluxe Suspension Seat
Transport Protection
Pre-Cleaner
4WD Drive Shaft Guard
OPEN Canopy
12 x 16.5, NHS, 710 AXLE
STD 19.5LX24,R4 (588H)
No Console Lockup Covers
No Slow Moving Vehicle Emblem
English Manual

*** MACHINE QUOTED IS SUBJECT TO AVAILABILITY ***
**** INTEREST RATE QUOTED IS BASED ON CURRENT RATES. INTEREST RATE IS SUBJECT TO CHANGE, BASED ON THE FINANCIAL INSTITUTION ****
***Quote Expires 10/30/2025 ***Financing Available on Approved Credit (OAC) ***Unit Based on Availability
*** QUOTED PRICE IS NOT GUARANTEED, AND SUBJECT TO MANUFACTURER'S PRICE INCREASES, INCLUDING ANY ADDITIONAL SURCHARGES ***
SONSRAY SIGNATURE SERVICE – A commitment to providing excellent service and care when you purchase a new piece of equipment from Sonsray Machinery.

NOTICE TO PURCHASER

Caution. Do not sign this contract before you thoroughly read both pages 1 and 2 of it or if it contains blank spaces, even if otherwise advised.
You are entitled to an exact and completely filled in copy of this Sales Order when you sign it. Keep it to protect your legal rights.
Store Manager signature required for final acceptance of Sales Order.

THIS AGREEMENT IS SUBJECT TO THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE. CUSTOMER HAS HAD THE OPPORTUNITY TO READ THE TERMS OF THIS AGREEMENT PRIOR TO SIGNING.

Purchaser's Signature _____ Sales Consultant _____ Date 10/3/25

Print Name _____ Date _____ Accepted By _____ Date _____

Fork Positioner	$7,875.00
Factory Freight	$5,399.75
Extended warranty. premier 60 Months or 5000 hours from the date of purchase.$0 deductible. That is $.78 an hour. Quote # EW251002-00359	$3,856.00
Pre delivery inspection. (PDI).	$3,295.00
CASE Material Surcharge	$2,602.71
60" Forklift Tines	$2,150.00
Fork Positioner Installation (Shop labor)	$2,150.00
Reel Assembly	$1,992.50
Delivery to Customer	$1,500.00
Welding	$1,200.00
Hose Assembly	$ 998.00
PARTS FRIGHT	$ 850.00
Factory. Load Fee	$ 500.00
DMV registration and servicesFee	$ 395.00
WASH / DETAIL	$ 185.00
Ein numbers	$ 60.00

Quoted Price	$131,405.76
Sales Tax 9.75%	$12,436.10
Processing Fee	$ 495.00
CA Tire Tax	$ 7.00
Cash Due or Finance Amount	$144,343.86

SONSRAY MACHINERY

Together WE MOVE MOUNTAINS
ARIZONA CALIFORNIA NEVEDA NEW MEXICO OREGON TEXAS WASHINGTON

CASE CONSTRUCTION

10950 South Norwalk Blvd. · Santa Fe Springs · CA · 90670 TEL: (562) 903-7377
www.SonsrayMachinery.com

Ship To: CITY OF REDONDO BEACH
531 NORTH GERTRUDA AVENUE
REDONDO BEACH CA 90277
Invoice To: CITY OF REDONDO BEACH
531 NORTH GERTRUDA AVENUE
REDONDO BEACH CA 90277

Attention: Mike Klein

Santa Fe Springs
October 6, 2025
BP0016771

ktaylor-0626
310-318-0601
Purchase Order:

Sales Person: Kent Taylor

EQUIPMENT QUOTE/SALES ORDER

2024 CASE DV36E T4 FINAL TANDEM	Serial #: DDDDV36ENR3094503 Stock #: EQ0062606	$64,023.71

SOURCEWELL CONTRACT # 011723-CNH.Contract Period: 04/04/2023 - 04/14/2027 Pricing Revised: 5/15/2025 CITY OF REDONDO BEACH California Los Angeles. County. Members Account # 32882 - CNH Specified discount off List Price/MSRP plus freight, setup, and local delivery. Also surcharge, but this must be placed on a separate line item. These discounts are not allowed with wholesale and/or retail discount(s). BASE LIST PRICE $77,137.00 - LESS SOURCEWELL DISCOUNT 17% ($-13,113.29) = 64,023.71*** *** Sourcewell Discount Applied

NEW NEVER USED CASE 2024 DV36E T4 FINAL TANDEM Production Date : 07/25/2024
Right Side Drive Lever
Inline Drum
No Traction Assist
3" Wide Retractable Seatbelt
Fixed Drum Scraper
Foldable Rops
Rotating Beacon
English literature
No Infrared Thermometer
No Additional Worklights
No Additional Work Lights
No Arm Rests On Seat
No Lifting Hook
Standard Operator Seat
No Ace Force
No Lockable Water Tank Cap

*** MACHINE QUOTED IS SUBJECT TO AVAILABILITY ***
**** INTEREST RATE QUOTED IS BASED ON CURRENT RATES. INTEREST RATE IS SUBJECT TO CHANGE, BASED ON THE FINANCIAL INSTITUTION ****
Quote Expires 10 /30/2025Financing Available on Approved Credit (OAC) ***Unit Based on Availability

NOTICE TO PURCHASER

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You are entitled to an exact and completely filled in copy of this Sales Order when you sign it. Keep it to protect your legal rights.
Store Manager signature required for final acceptance of Sales Order.

THIS AGREEMENT IS SUBJECT TO THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE. CUSTOMER HAS HAD THE OPPORTUNITY TO READ THE TERMS OF THIS AGREEMENT PRIOR TO SIGNING.

Purchaser's Signature _____ Sales Consultant _____ Date 10/6/25

Print Name _____ Date _____ Accepted By _____ Date _____

*** QUOTED PRICE IS NOT GUARANTEED, AND SUBJECT TO MANUFACTURER'S PRICE INCREASES, INCLUDING ANY ADDITIONAL SURCHARGES ***
SONSRAY SIGNATURE SERVICE – A commitment to providing excellent service and care when you purchase a new piece of equipment from Sonsray Machinery.

Extended warranty. premier 60 Months or 5000 hours from the date of purchase.$0 deductible. That is $1.24 an hour.: EW251006-00177	$6,170.00
Transport / Freight Cost -TO DEALER	$3,895.00
Final Customer Delivery PDI	$1,990.00
Delivery to Customer	$1,500.00
Transport / Freight Cost - Load Fee	$1,000.00
Quoted Price	$78,578.71
Sales Tax 9.75%	$7,059.85
Processing Fee	$ 495.00
Cash Due or Finance Amount	$86,133.56

Administrative Report

H.9., **File #** 25-1402 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE AN AGREEMENT WITH ACCO ENGINEERED SYSTEMS TO PROVIDE AND INSTALL A 150-TON REPLACEMENT CHILLER UNIT AT THE REDONDO BEACH PERFORMING ARTS CENTER FOR A COST NOT TO EXCEED $365,438, INCLUDING A 10% CONTINGENCY

EXECUTIVE SUMMARY

Approval of the agreement with ACCO Engineered Systems would allow for the purchase and installation of a critical replacement chiller unit at the Redondo Beach Performing Arts Center. The existing chiller is over 25 years old and has exceeded its useful life. The cost for all labor, equipment, materials and a five-year warranty for the product would not exceed $365,438.21, including a 10% contingency. The new chiller would be installed and operational by late January 2026, improve the PAC's operating conditions and reduce energy costs.

BACKGROUND

The Redondo Beach Performing Arts Center contains a variety of equipment that regulates climate conditions in all areas of the building and keeps the facility comfortable for facility users, particularly during large performances. The largest piece of equipment is a 145-ton, air-cooled chiller that is over 25 years old. As the unit has exceeded its useful life, it is subject to more frequent failures and has required an increasing amount of maintenance.

The City's current HVAC maintenance contractor, ACCO Engineered Systems, has proposed providing and installing a suitable replacement unit, a 150-ton Daikin Trailblazer chiller, for a cost not to exceed $365,438.21, including a 10% contingency. The service would include all necessary plans and calculations, removal and disposal of the existing unit, modifications to piping as needed, testing the new unit and a five-year warranty on all equipment, parts and labor.

Staff researched other alternatives and found the pricing proposed by ACCO to be reasonable and competitive in the marketplace. The purchase and installation would satisfy the City's purchasing procedures by utilizing the Gordian/Sourcewell cooperative purchasing program. The chiller replacement would be a capital project designated as maintenance/repair per Title 2, Section 6.1 of the Redondo Beach Municipal Code.

The estimated timeframe for chiller purchase and installation is as follows:

Design & Procurement:	8 to 10 weeks
Installation:	2 weeks

Testing: 1 week

The new chiller is expected to be delivered, in place, and functional in late January 2026.

COORDINATION

This report was coordinated by the Public Works Department. The City Attorney's Office prepared the maintenance and repair Agreement.

FISCAL IMPACT

The cost for a new 150-ton chiller for the Performing Arts Center, including installation and a five-year warranty, would not exceed $365,438.21, including a 10% contingency. Funding for the replacement is available in the Capital Improvement Program Budget, via Redondo Beach Performing Arts Center Modernization Project Account #20910.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agreement - ACCO Engineered Systems
- Insurance - ACCO Engineered Systems

AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND ACCO ENGINEERED SYSTEMS

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Acco Engineered Systems, a California corporation ("Contractor" or "Consultant").

WHEREAS, Article XIX, Section 19 of the City Charter generally requires competitive bidding for public works contracts exceeding $200,000;

WHEREAS, Article XIX, Section 19.1(a) of the City Charter, competitive bidding is not required where the proposed work consists of maintenance or repair, as defined by the City Council by ordinance or resolution;

WHEREAS, pursuant to Title 2, Chapter 6.1, Section 2-6.1.01(a) of the City Municipal Code, a "public works project" includes repair of any City owned facility, such as buildings or structures;

WHEREAS, pursuant to Title 2, Chapter 6.1, Section 2-6.1.01(i) of the City Municipal Code repair is defined as activities required to restore City facilities or infrastructure to their original, intended condition after damage, wear, or other degradation;

WHEREAS, the project as described in Exhibit "A" meets the definition of "repair";

WHEREAS, under Title 2, Chapter 6.1, Section 2-6.1.09 of the City Municipal Code, repair projects are exempt from competitive bidding requirements regardless of cost and may proceed via negotiated contract; and

WHEREAS, the City and Contractor desire to enter into this Agreement

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

A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".

B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

D. Insurance. Contractor shall adhere to the insurance requirements outlined in Exhibit "D", unless otherwise waived by the City's Risk Manager.

E. Agreement to Comply with California Labor Law Requirements. Contractor agrees to comply with all applicable California Labor Law Requirements as set forth in Exhibit "E".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.

2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City

as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

   Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

   If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.

10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor’s receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons

for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend, protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D". Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, and employment laws.

a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 11/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.

b. Labor Law Requirements. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference. State prevailing wage determinations are available on the California Department of Industrial

Relations (“DIR”) website located at https://www.dir.ca.gov/Public-Works/Prevailing-Wage.html.

18. Non-Discrimination. Contractor shall comply with all applicable federal, state, and local laws, ordinances, regulations, and codes prohibiting discrimination, including but not limited to the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and the California Fair Employment and Housing Act. Contractor shall not discriminate against any employee or applicant for employment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status, or any other legally protected characteristic. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment. Contractor shall include a similar non-discrimination provision in all subcontracts related to the performance of this Agreement.

19. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City’s prior written consent shall constitute a material default under this Agreement.

    The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor’s assets occurs, which reduces Contractor’s assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

20. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the

City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

21. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

22. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

23. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

24. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

25. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

26. Time of Essence. Time is of the essence of this Agreement.

27. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

28. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

29. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

30. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be

entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

31. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 810 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

32. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

33. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

34. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

35. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

36. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
09/17/2025

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

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

PRODUCER
Aon Risk Insurance Services West, Inc.
Los Angeles CA Office
707 Wilshire Boulevard
Suite 2600
Los Angeles CA 90017-0460 USA

CONTACT NAME:
PHONE (A/C. No. Ext): (866) 283-7122 **FAX (A/C. No.):** (800) 363-0105
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	American Fire & Casualty Co	24066
INSURER B:	LM Insurance Corporation	33600
INSURER C:	Liberty Mutual Fire Ins Co	23035
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
ACCO Engineered Systems, Inc.
888 E Walnut Street
Pasadena CA 91101 USA

COVERAGES **CERTIFICATE NUMBER:** 570115429384 **REVISION NUMBER:**

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

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
C	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT X LOC OTHER:	Y	Y	TB2661067353035	10/01/2025	10/01/2026	EACH OCCURRENCE	$2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
							MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$2,000,000
							GENERAL AGGREGATE	$4,000,000
							PRODUCTS - COMP/OP AGG	$4,000,000
C	**AUTOMOBILE LIABILITY** X ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY	Y	Y	AS2-661-067353-025	10/01/2025	10/01/2026	COMBINED SINGLE LIMIT (Ea accident)	$5,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
A	**UMBRELLA LIAB** X OCCUR X **EXCESS LIAB** CLAIMS-MADE DED RETENTION			EUA2663708502	10/01/2025	10/01/2026	EACH OCCURRENCE	$5,000,000
							AGGREGATE	$5,000,000
B	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N: N **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	WA566D067353015	10/01/2025	10/01/2026	X PER STATUTE OTH-ER	
							E.L. EACH ACCIDENT	$1,000,000
							E.L. DISEASE-EA EMPLOYEE	$1,000,000
							E.L. DISEASE-POLICY LIMIT	$1,000,000

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

[RE: Construction, All Operations.]
[AI: City of Redondo Beach, a chartered municipal corporation and all others as required by written contracts] are included as Additional Insured with respect to the General Liability and Automobile Liability Policies; granted a Waiver of Subrogation for General Liability, Automobile Liability and Workers' Compensation Policies as required by written contract but limited to the operations of the insured under the said contract.

CERTIFICATE HOLDER

City of Redondo Beach
531 N. Gertruda Avenue
Redondo Beach CA 90277 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Insurance Services West, Inc.

Holder Identifier : AHKLP

Certificate No : 570115429384

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or

2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

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SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
All persons or organizations with whom you have entered into a written contract or agreement, prior to an "occurrence" or offense, to provide additional insured status.	All locations as required by a written contract or agreement entered into prior to an "occurrence" or offense.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

© Insurance Services Office, Inc., 2012

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us of Section IV – Conditions:**

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

SCHEDULE

Name Of Person Or Organization:

As required by written contract or agreement entered into prior to loss.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

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

SCHEDULE

Name(s) Of Person(s) Or Organization(s):
Any person or organization for whom you perform work under a written contract if the contract requires you to obtain this agreement from us, but only if the contract is executed prior to the injury or damage occurring.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

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

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

SCHEDULE

Name Of Person(s) Or Organization(s):
Any person or organization whom you have agreed in writing to add as an additional insured, but only to coverage and minimum limits of insurance required by the written agreement, and in no event to exceed either the scope of coverage or the limits of insurance provided in this policy
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

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WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Where required by contract or written agreement prior to loss and allowed by law.

Issued by: LM Insurance Corp.

For attachment to Policy No WA5-66D-067353-015 Effective Date 10/01/2025 Premium

Issued to: ACCO Engineered Systems, Inc.

© 1983 National Council on Compensation Insurance, Inc.

Administrative Report

H.10., **File #** 25-0509 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE A FIFTH AMENDMENT TO THE AGREEMENT WITH GEOSYNTEC CONSULTANTS, INC. FOR DEVELOPMENT OF A FEASIBILITY STUDY AND GRANT APPLICATION FOR A JOINT HERONDO WATERSHED GREEN STREET PROJECT TO BE COORDINATED WITH THE CITY OF HERMOSA BEACH, FOR AN AMOUNT NOT TO EXCEED $60,000, AND A NEW TOTAL CONTRACT AMOUNT OF $1,554,027

EXECUTIVE SUMMARY

On November 17, 2020, the City Council approved a consulting services agreement with Geosyntec Consultants Inc., (Geosyntec) on behalf of the Beach Cities Watershed Group (Group) to update the Group's Enhanced Watershed Management Plan (EWMP). Since that time, four amendments have been approved by Council. The amendments added engineering services for the Glen Anderson Park Infiltration Project and Fulton Playfield Infiltration Projects, review of environmental documentation for those projects, and the completion of a settlement offer associated with Seaside Lagoon NPDES matters. Approving the proposed fifth amendment, would allow for the preparation of a feasibility study and grant application for a new Distributed Green Streets Project within the Herondo Watershed (in addition to the planned project at Fulton Park) with the primary goal of capturing and infiltrating stormwater flows, thereby improving the water quality of the Santa Monica Bay and meeting compliance commitments in the updated Watershed Management Plan (WMP).

The feasibility study and grant application for the Distributed Green Street Project would be in partnership with the City of Hermosa Beach. The end result would include the submission of an application to the Safe Clean Water (SCW) Program's competitive grant program by July 31, 2026. Geosyntec's deliverables would also be used to apply for other grant funds, such as California's Proposition 4. The City's cost for the fifth amendment is $50,000, with a $10,000 contingency for a total amount of $60,000, increasing the total not to exceed amount for the contract to $1,554,027. Hermosa Beach is executing a separate agreement with Geosyntec for their share of the work effort at the same price.

BACKGROUND

On November 18, 2012, the Los Angeles Regional Water Quality Control Board (Board) adopted the National Pollutant Discharge Elimination System (NPDES) Permit for discharges from the municipal separate storm sewer system within the coastal watersheds of Los Angeles County. The City of Redondo Beach, in collaboration with the Cities of Hermosa Beach, Manhattan Beach, and Torrance, along with the Los Angeles County Flood Control District developed an EWMP to comply with the

permit requirements. The City Council approved the original EWMP on June 16, 2015 and the Group obtained Board approval of the EWMP on April 18, 2016. The NPDES Permit required that the permittees submit an updated EWMP with an updated reasonable assurance analysis by June 30, 2021. Redondo Beach acted as the lead agency for updating WMP and contracting with Geosyntec for the work, on behalf of all partners, and the plans where successfully submitted to the Board in June 2021.

The updated WMP identifies strategies and best management practices, that when implemented individually by jurisdictions, or collectively at a watershed scale, will address water quality concerns. The updated WMP includes a project completion date of March 2029 for the Redondo Beach Herondo Distributed Infiltration Project. Since the City of Hermosa Beach has the same project requirement, it would be advantageous for the City to partner with them to submit a joint application for grant funding. A combined, regional approach would not only strengthen our proposal but also make the project more attractive to potential funding agencies. Approval of the proposed fifth amendment would allow the City to develop a project to meet this requirement and apply for grant funding to construct the project.

Geosyntec would conduct a project feasibility study to meet the recently passed Safe Clean Water (SCW) Program requirements for funding stormwater capture projects. A feasibility study would be submitted through the SCW Program project portal by the July 31, 2026 deadline. Preliminary design and engineering analysis would be conducted for the project for the feasibility of on-site stormwater infiltration. Geosyntec would provide support for project applications following submission, such as presentations to the SCW Committees. In addition, Geosyntec would support the City with other applications or support for additional grant funding opportunities as available (e.g., Prop 4 Stormwater Grants).

The scope of work included in the fifth amendment includes conducting an evaluation to determine the feasibility of implementing infiltration drywells (and potentially other infiltration BMPs) withing the Herondo Watershed, as outlined in the updated WMP. This may include utilizing desktop Geographic Information System analysis to identify areas favorable for drywell implementation, siting of drywells to meet volume capture requirements, modeling of the proposed drywells, performing a hydrology and hydraulics study, conceptual site layouts and preliminary designs. In addition, the scope of work includes assessing nearby utilities and other potential siting conflicts, assessing land ownership, performing underground service alerts, conducting civil surveying to create a base map, creating an engineering cost estimate, and preparing a grant application. The project would help the City meet the targeted water quality reductions as outlined in the updated WMP.

COORDINATION

The amendment has been prepared and approved as to form by the City Attorney's Office. The feasibility study and grant application for the new Distributed Green Street Project has been coordinated in partnership with the City of Hermosa Beach.

FISCAL IMPACT

The cost of the fifth amendment is $60,000. Funding for the amendment is available in the CIP Budget, through locally allocated Safe Clean Water Act monies. Hermosa Beach is executing a separate agreement with Geosyntec for their pro-rata share of the work effort.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Fifth Amendment to the Agreement with Geosyntec
- Agmt - Fourth Amendment to the Agreement with Geosyntec, December 3, 2024
- Agmt - Third Amendment to the Agreement with Geosyntec, May 7, 2024
- Agmt - Second Amendment to the Agreement with Geosyntec, April 18, 2023
- Agmt - First Amendment to the Agreement with Geosyntec, May 3, 2022
- Agmt - Original Agreement with Geosyntec, November 17, 2020

FIFTH AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH AND GEOSYNTEC CONSULTANTS, INC.

This Fifth Amendment to the Agreement for Consulting Services ("Fifth Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City"), and Geosyntec Consultants, Inc., a Florida corporation ("Consultant").

WHEREAS, on November 17, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement");

WHEREAS, on May 3, 2022, the parties entered into the First Amendment to the Agreement ("First Amendment") to add to the scope of services, extend the term of the Agreement to April 4, 2028, and increase Consultant's compensation limit to $1,032,582;

WHEREAS, on April 18, 2023, the parties entered into the Second Amendment to the Agreement ("Second Amendment") to add to the scope of services and increase Consultant's compensation limit to $1,470,482;

WHEREAS, on May 7, 2024, the parties entered into the Third Amendment to the Agreement ("Third Amendment") to add additional duties to the scope of services, increase Consultant's total compensation limit to $1,495,482, and update the insurance requirements under the Agreement; and

WHEREAS, on December 3, 2024, the parties entered into the Fourth Amendment to the Agreement ("Fourth Amendment") to clarify payment terms, allocate additional compensation of $33,545 for Task 9, and increase Consultant's total compensation limit to $1,504,027

WHEREAS, the parties 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. **SCOPE OF SERVICES**. Exhibit "A" of the Agreement, as amended by Exhibits "A-1" and "A-2", is hereby amended to add Exhibit "A-3" to provide a joint Herondo Watershed Green Streets Project Feasibility Study under the Safe Clean Water Regional Program (collectively "Task 10"). Exhibit "A-3" is attached hereto and incorporated by this reference.

2. **COMPENSATION.** Exhibit "C" of the Agreement, as amended by Exhibits "C-1" and "C-2", is hereby amended to add Exhibit "C-3" to allocate additional compensation of $50,000 for Task 10, setting a new total limit on compensation under the Agreement and all amendments hereto at $1,554,027. Exhibit "C-3" is attached hereto and incorporated by this reference. Consultant shall be compensated for the services described in Exhibits "A", "A-1", and "A-2" of the Agreement.

3. **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, Third Amendment, Fourth Amendment, and this Fifth Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, Third Amendment, Fourth Amendment, and this Fifth Amendment, the terms of this Fifth Amendment shall govern.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Fifth Amendment in Redondo Beach, California, as of this 21st day October, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

GEOSYNTEC CONSULTANTS, INC.,
a Florida corporation

Signed by:
Christopher Wessel
14ED8B97542D4DE...

By: _____
Name: Christopher Wessel
Title: Senior Principal

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

Signed by:
Diane Strickfaden
ABED8CF35EEF48C...

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT "A-5"

SCOPE OF SERVICES

I. **CONSULTANT'S DUTIES**

Consultant shall prepare a joint Feasibility Study under the Safe Clean Water Regional Program ("SCWP") for a joint Herondo Watershed Green Streets Project ("Project") to be coordinated with the City of Hermosa Beach. Consultant shall ensure all services conform to the latest SCWP Feasibility Study Guidelines and applicable City and County standards. Consultant shall perform Task 10 as follows:

A. **Project Management.** Consultant shall provide the following Project management and coordination services for the duration of the Project:

1. One (1) one-hour virtual kickoff meeting with the City.
2. Four (4) one-hour virtual check-in meetings with the City.
3. Routine coordination and communication with the Project team.
4. Schedule and budget management.
5. Monthly invoice development and submission as further described in Exhibit "C".

B. **Background Research, Surveying, and Field Verification.** Consultant shall review available record drawings, previous reports and studies, and other information available from the Cities immediately following the Project kick-off. Consultant shall perform the following research and investigations:

1. One (1) site visit with City representatives.
2. Conduct utility search. Collect and review available record drawings of underground utilities for additional Project locations that are not covered in the previous studies.
3. Review the following documents and utilize the standards as applicable for this Project:
    a. City Standard Plans;
    b. County of Los Angeles Hydrology Manual 2006;
    c. Standard Specifications for Public Works Construction, "Green Book"; and
    d. Additions and Amendments to the Standard Specifications for Public Works.
4. Provide a Summary of Site Conditions and Constraints, summarizing the findings from the background research.

C. **Hydrology and Hydraulics Study.** Consultant shall prepare hydrologic and hydraulic (H&H) calculations and modeling to support the Project design and document the water quality and water supply benefits summarizing the approach and results of the following:

1. Drainage area delineations;

2. Peak flow and run-off volume calculations for the Design Storm and 85th Percentile, 24-hour Storm, using HydroCalc;
3. Long-term Pollutant load reduction calculations, using WMMS and SCWP Project Module; and
4. SCWP Water Quality and Water Supply Scoring Analyses.

Consultant shall submit one draft and one final H&H study technical memorandum to the City.

D. **Feasibility Study Report.** Consultant shall prepare a draft and final Feasibility Study that meets the requirements set forth in the latest SCWP Feasibility Study Guidelines. Consultant shall conduct a preliminary design effort and incorporate it into the final Feasibility Study. Consultant shall develop additional documentation and evaluation for the preferred alternative and attach it to the Feasibility Study. This shall include:

1. Identification and conceptualization of additional green infrastructure features to supplement the drywells;
2. 10% design set (Site plan and BMP details);
3. Opinion of Probable Construction Cost (OPCC);
4. Project Description;
5. CEQA Screening Checklist;
6. A community outreach and engagement plan, which identifies key stakeholders and agencies.

Consultant shall prepare and submit a digital copy of the draft Feasibility Study for one round of City comments, and a digital copy of the final Feasibility Study with documented responses to comments. Hold two meetings to review the Feasibility Study findings and feedback from the City.

E. **SCWP Module Submission and Meeting Support. Consultant shall prepare and submit all required materials for the SCWP application associated with the Project as follows:**

1. Consultant shall prepare a Project fact sheet in accordance with the SCWP template and complete the Safe Clean Water Module for the Project based on the final Feasibility Study.
2. Consultant shall fill required entries and upload supporting documentation to complete the module.
3. Consultant shall provide a draft module output to the City at least thirty (30) days prior to the SCWP application deadline (July 31, 2026).
4. Consultant shall address changes to the module and produce a final module output for City approval at least seven (7) days prior to the SCWP application deadline.
5. Once the City approves the application, Consultant shall submit the SCWP application into the County portal.
6. Consultant shall assist in modifying the application entries and supporting documents should comments be received from the SCWP.

7. Consultant shall support the City and participate in up to two (2) virtual and two (2) in-person calls and meetings, including the Scoring Committee and South Santa Monica Bay Watershed Area Steering Committee meetings, and prepare one PowerPoint presentation based on the SWCP template.

F. **Additional Duties.** Any work beyond the scope described in this Exhibit "A", including but not limited to additional meetings beyond those specified, redesigns, or expanded field investigations, shall constitute extra work and require authorization by written change order as provided under General Provisions Section 7 of the Agreement.

II. **CITY'S DUTIES**

City will facilitate inter-agency coordination for this Project.

EXHIBIT "C-3"

COMPENSATION

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

I. **AMOUNT.** Consultant shall be paid in accordance with the rate schedule outlined in the First Amendment.

II. **EXPENSES**. Consultant may be reimbursed for the following expenses directly arising from this Agreement

A. Consultant obtains the City's prior written authorization for any individual expense exceeding $200;
B. Consultant provides written documentation evidencing the expenditure, such as receipts or invoices; and
C. The total aggregate of Consultant's expenses shall not exceed $2,000.

Expenses	**Amount**
Travel: For distances exceeding 50 miles one way, reimbursement will be based on the IRS mileage rate.	IRS mileage rate
Material and reproduction for out of the ordinary items, such as oversized and/or color printing	At actual cost plus 15%

III. **NOT TO EXCEED AMOUNT**. In the event that unforeseen conditions or circumstances arise in connection with the services described in Exhibit "A", including but not limited to, additional meetings beyond those specified, redesigns, or expanded field investigations, authorized by written change order pursuant to General Provisions Section 7 of the Agreement, the Consultant shall notify the City and submit a written estimate for any proposed additional work. Subject to prior the written approval of the City Engineer, the Consultant may utilize up to $10,000 to perform such additional work. Any such use of contingency funds shall not increase the total compensation payable to Consultant beyond $1,554,027 during the term of the Agreement, as amended.

Within this overall limit, compensation for Task 10 shall not exceed the following amounts:

Section	**Task 10**	**Not to Exceed Total**
I.A	Project Management	$7,500
I.B	Background Research & Field Verification	$5,400
I.C	Hydrology & Hydraulics Study	$9,900
I.D	Feasibility Study Report	$21,300

Section	Task 10	Not to Exceed Total
I.E	SCWP Module Submission & Meeting Support	$5,900
	SUBTOTAL	**$50,000**
I.F Contingency		$10,000
	TOTAL	**$60,000**

IV. **METHOD OF PAYMENT.** Consultant shall provide monthly invoices to City for approval and payment for those services performed in the month prior to invoice submission. Invoices must include the following information.

A. All personnel who performed work.
B. Task number.
C. Date of service.
D. Location of work.
E. Description of the work performed.
F. Number of hours worked for each individual.
G. Hourly rate and percentage of task completed.
H. All City approved and documented subcontractor invoices.
I. If applicable, expenses incurred.

Invoices must be itemized, adequately detailed, based on accurate records, and if applicable, attach subcontractor invoices. Invoices must be in a form reasonably satisfactory to City, and attach the prior written authorization of the City and copies of receipts to substantiate expense requests. Consultant may be required to provide back-up material upon request.

V. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within thirty (30) days of City's receipt of the monthly invoice; provided, however, that payments by City shall not exceed the proportion of the phase or task completed, and payment for each phase or task shall not exceed the amounts described in Section III of this Exhibit "C-5".

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

Consultant: Geosyntec Consultants
5901 West Century Blvd
Suite 1450
Los Angeles, CA 90045
Attn: Christopher Wessel
Email: CWessel@Geosyntec.com

City: City of Redondo Beach
Public Works Department, Engineering Division
415 Diamond Street
Redondo Beach, CA 90277
Attn: Lauren Sablan, City Engineer
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.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/1/2026 — 3/25/2025

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

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

PRODUCER Lockton Companies, LLC 444 W. 47th St., Ste. 900 Kansas City MO 64112-1906 (816) 960-9000 kcasu@lockton.com	**CONTACT NAME:** **PHONE (A/C, No, Ext):** **FAX (A/C, No):** **E-MAIL ADDRESS:**
INSURED 1552000 GEOSYNTEC CONSULTANTS, INC. 777 YAMATO ROAD, SUITE 600 BOCA RATON, FL 33431	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** **INSURER A :** National Union Fire Ins Co Pitts. PA — 19445 **INSURER B :** Allied World Assurance Company (U.S.) Inc. — 19489 **INSURER C :** New Hampshire Insurance Company — 23841 **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 21434260 **REVISION NUMBER:** XXXXXXX

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE / X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC OTHER:	Y	N	GL5268179	4/1/2025	4/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 500,000 $ 25,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A A	**AUTOMOBILE LIABILITY** X ANY AUTO OWNED AUTOS ONLY / SCHEDULED AUTOS X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY	Y	N	CA4489673 CA4489674	4/1/2025 4/1/2025	4/1/2026 4/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 2,000,000 $ XXXXXXX $ XXXXXXX $ XXXXXXX $ XXXXXXX
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ 10,000	N	N	031373714	4/1/2025	4/1/2026	EACH OCCURRENCE AGGREGATE 	$ 10,000,000 $ 10,000,000 $ XXXXXXX
C A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** Y / N: N / N / A If yes, describe under DESCRIPTION OF OPERATIONS below		N	WC 072-11-3264 WC 072-11-3263	4/1/2025 4/1/2025	4/1/2026 4/1/2026	X PER STATUTE / OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 2,000,000 $ 2,000,000 $ 2,000,000
B	PROFESSIONAL LIAB. CONTRACTORS POLLUTION LIAB	N	N	0312-2723	4/1/2025	4/1/2026	$8,000,000 EACH ACT; $10,000,000 AGGREGATE	

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

THE CITY OF REDONDO BEACH, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES & VOLUNTEERS ARE ADDITIONAL INSUREDS AS RESPECTS GENERAL LIABILITY AND AUTO LIABILITY, AND THESE COVERAGES ARE PRIMARY AND NON-CONTRIBUTORY, AS REQUIRED BY WRITTEN CONTRACT. THIRTY (30) DAYS NOTICE OF CANCELLATION BY THE INSURER FOR REASONS OTHER THAN NON-PAYMENT OF PREMIUM WILL BE PROVIDED TO THE CERTIFICATE HOLDER. GENERAL LIABILITY INCLUDES SEVERABILITY OF INTERESTS SUBJECT TO POLICY TERMS AND CONDITIONS.

CERTIFICATE HOLDER

21434260
CITY OF REDONDO BEACH
415 DIAMOND STREET
REDONDO BEACH CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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FOURTH AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH AND GEOSYNTEC CONSULTANTS, INC.

This Fourth Amendment to the Agreement for Consulting Services ("Fourth Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City"), and Geosyntec Consultants, Inc., a Florida corporation ("Consultant").

WHEREAS, on November 17, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement");

WHEREAS, on May 3, 2022, the parties entered into the First Amendment to the Agreement ("First Amendment") to add to the scope of services, extend the term of the Agreement to April 4, 2028, and increase Consultant's compensation limit to $1,032,582;

WHEREAS, on April 18, 2023, the parties entered into the Second Amendment to the Agreement ("Second Amendment") to add to the scope of services and increase Consultant's compensation limit to $1,470,482;

WHEREAS, on May 7, 2024, the parties entered into the Third Amendment to the Agreement ("Third Amendment") to add additional duties to the scope of services, increase Consultant's total compensation to $1,495,482, and update the insurance requirements under the Agreement; and

WHEREAS, the parties 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. **COMPENSATION**. Exhibit "C" of the Agreement, as amended by Exhibit "C-1", is hereby amended to add Exhibit "C-2" to clarify payment terms and allocate additional compensation of $33,545 for Task 9, setting a new total limit on compensation under the Agreement and all amendments hereto at $1,504,027. Exhibit "C-2" is attached hereto and incorporated by this reference. Consultant shall be compensated for the services described in Exhibits "A" through "A-1" of the Agreement.

2. **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, Third Amendment, and this Fourth Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, Third Amendment, and this Fourth Amendment, the terms of this Fourth Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment in Redondo Beach, California, as of this 3rd day December, 2024.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...

James A. Light, Mayor

GEOSYNTEC CONSULTANTS, INC.,
a Florida corporation

Signed by:
14ED8B97542D4DE...

By: Christopher Wessel
Name: Christopher Wessel
Title: Senior Principal

ATTEST:

DocuSigned by:
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "C-2"

COMPENSATION

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

I. **AMOUNT**. Consultant shall be pain in accordance with the rate schedule outlined in the First Amendment. However, under no circumstances shall the total compensation for tasks 1, 2, 3, and 9 exceed the amounts set forth below.

Task	Description	Not to Exceed Total
1	Project Planning - Fulton Playfield	$111,300
2	Project Design - Fulton Playfield	$253,000
3	Construction Support - Fulton Playfield	$73,600
9	Preliminary Engineering Design & Permitting Urban Runoff Low Flow Sanitary Sewer Diversions	$128,545

II. **NOT TO EXCEED AMOUNT**. In no event shall the total amount paid to Consultant, including without limitation, compensation, expenses, materials, labor, shipping, and tax, exceed $1,504,027 under the Agreement and any amendments hereto.

III. **METHOD OF PAYMENT**. Consultant shall provide monthly invoices to City for approval and payment for those services performed in the month prior to invoice submission. Invoices must include the following information:

A. Task number
B. Description of the work performed
C. Quantity
D. Unit Price
E. Total Amount (Unit x Quantity)
F. Rates and hours worked, if applicable
G. Date(s) of service provided
H. All personnel who performed work on the Task Proposal

Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, including prior written authorization of the City and copies of receipts to substantiate expense requests. Consultant may be required to provide back-up material upon request. If no work is performed in a given month, no invoice is required.

IV. **SCHEDULE FOR PAYMENT**. City agrees to pay Consultant within thirty (30) days of City's receipt of Consultant's monthly invoice, provided that services are completed to the City's reasonable satisfaction and there is no dispute over the amount.

V. **NOTICE**. Written notices to the City and Consultant shall be given by registered or certified mail, or personal delivery, addressed as follows:

Consultant: Geosyntec Consultants, Inc.
6167 Bristol Parkway, Suite 390

Culver City, CA 90230
Attention: Christopher Wessel

City: City of Redondo Beach
Public Works Department, Engineering Division
415 Diamond Street
Redondo Beach, CA 90277
Attention: Lauren Sablan, Acting City Engineer

All notices, including notices of address changes, provided under this Agreement are deemed received as follows: (1) on the third day after mailing if sent by registered or certified mail; or (2) 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.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/1/2024

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

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

PRODUCER	CONTACT NAME: Greyling COI Specialist
Greyling Ins. Brokerage/EPIC 3780 Mansell Road, Suite 370 Alpharetta GA 30022	PHONE (A/C, No, Ext): 770.756.6599 FAX (A/C, No): 770.756.6599 E-MAIL ADDRESS: greylingcerts@greyling.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Union Fire Ins Co of Pittsburg	19445
INSURER B : Everest National Insurance Company	10120
INSURER C : Allied World Assurance Co (U.S.) Inc.	19489
INSURER D : New Hampshire Insurance Company	23841
INSURER E :	
INSURER F :	

INSURED
Geosyntec Consultants, Inc.
900 Broken Sound Parkway NW, Suite 200
Boca Raton, FL 33487-0000

COVERAGES **CERTIFICATE NUMBER:** 428598820 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT X LOC OTHER:			GL5268179	4/1/2024	4/1/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 500,000 $ 25,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A A	**AUTOMOBILE LIABILITY** X ANY AUTO OWNED AUTOS ONLY / SCHEDULED AUTOS X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY			CA4489673 CA4489674 (MA)	4/1/2024 4/1/2024	4/1/2025 4/1/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 2,000,000 $ $ $ $
B	X **UMBRELLA LIAB** X OCCUR X **EXCESS LIAB** CLAIMS-MADE DED RETENTION $			XC3EX00336241	4/1/2024	4/1/2025	EACH OCCURRENCE AGGREGATE 	$ 10,000,000 $ 10,000,000 $
D A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N: N **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC015893709 (AOS) WC015893710 (CA)	4/1/2024 4/1/2024	4/1/2025 4/1/2025	X PER STATUTE / OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 2,000,000 $ 2,000,000 $ 2,000,000
C	Professional Liability (PL)/ Contractors Pollution Liab (CPL)			03122723	4/1/2024	4/1/2025	Each Act Aggregate	$8,000,000 $10,000,000

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

The City of Redondo Beach, its officers, elected and appointed officials, employees & volunteers are named as Additional Insureds on the above referenced liability policies with the exception of workers compensation, pollution & professional liability where required by written contract. The above referenced liability policies with the exception of professional liability are primary & non-contributory where required by written contract. Separation of Insureds applies to the General Liability Policy. Should any of the above described policies be cancelled by the issuing insurer before the expiration date thereof, 30 days' written notice (except 10 days for nonpayment of premium) will be provided to the Certificate Holder named below.

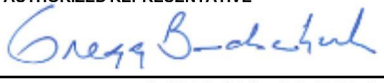
CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach CA 90277-0000

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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THIRD AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND GEOSYNTEC CONSULTANTS, INC.

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 Geosyntec Consultants, Inc., a Florida corporation ("Consultant" or "Contractor").

WHEREAS, on November 17, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on May 3, 2022, the parties entered into the First Amendment to the Agreement ("First Amendment") to add to the scope of services, extend the term of the Agreement to April 4, 2028, and increase Consultant's compensation limit to $1,032,582; and

WHEREAS, on April 18, 2023 the parties entered into the Second Amendment to the Agreement ("Second Amendment") to add to the scope of services and increase Consultant's compensation limit to $1,470,482; and

WHEREAS, the parties 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. **SCOPE OF SERVICES**. Exhibit "A" of the Agreement is hereby amended to add Exhibit "A-1", which adds new duties. Exhibit "A-1" is attached hereto and incorporated by this reference.

2. **COMPENSATION**. Exhibit "C" of the Agreement is hereby amended to add Exhibit "C-1" to increase Consultant's total compensation limit by $25,000, setting a new limit of $1,495,482. Exhibit "C-1" is attached hereto and incorporated by this reference. Consultant shall be compensated for the services described in Exhibits "A" to "A-1" of the Agreement.

3. **INSURANCE**. Exhibit "D" of the Agreement is hereby amended to add Exhibit "D-1" to raise the Consultant's general liability coverage from $1 million to $2 million dollars. Exhibit "D-1" is attached hereto and incorporated by this reference. Consultant shall comply with the insurance requirements in Exhibit "D-1"

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 hereof. 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.

IN WITNESS WHEREOF, the parties have executed this Third Amendment in Redondo Beach, California, as of this 7th day of May, 2024.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...

James A. Light, Mayor

GEOSYNTEC CONSULTANTS, INC.,
a Florida corporation

DocuSigned by:
Christopher Wessel
14ED8B97542D4DE...

By:
Name: Christopher Wessel
Title: Senior Principal

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT “A-1”

SCOPE OF SERVICES

CONSULTANT'S DUTIES

Consultant shall review environmental documents provided by the City and provide feedback to the City regarding their content. This includes evaluating the appropriateness of cost estimates, recommending additional site and historical investigations and analyses, and providing guidance on regulatory/statutory demands and timelines. Consultant shall perform the following duties.

1. Attend and participate in conference calls and Project (as defined in the Agreement) meetings with the City staff.

2. Provide Project management duties to complete the Project, including but not limited to, email correspondence and meeting scheduling.

3. Prepare summary notes and support materials for meetings as requested by the City.

4. Review records and documents as provided by the City.

5. Prepare a final report summarizing findings and recommendations.

6. Conduct site visits to assess existing site conditions and gather necessary information.

EXHIBIT "C-1"

COMPENSATION

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

1. **NOT TO EXCEED AMOUNT**. In no event shall the total amount paid to Consultant including without limitation, compensation, expenses, materials, labor, shipping, and tax exceed $1,495,482 under this Agreement and its amendments.

2. **SCHEDULE FOR PAYMENT**. City agrees to pay Consultant within thirty (30) days of City's receipt of the monthly invoice; provided, however, that services are completed to the City’s reasonable satisfaction.

EXHIBIT “D-1”

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, 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 work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Errors and Omissions liability insurance appropriate to the consultant's profession. Architects' and Engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project/location.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Errors and Omissions liability: $1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Errors and Omissions policy, if written on a claims made basis, shall be maintained by the Consultant for a period of one year after the completion of the project.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements are to be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/30/2024

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

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

PRODUCER	CONTACT NAME: Greyling COI Specialist	
Greyling Ins. Brokerage/EPIC 3780 Mansell Road, Suite 370 Alpharetta GA 30022	PHONE (A/C, No, Ext): 770.756.6599	FAX (A/C, No): 770.756.6599
	E-MAIL ADDRESS: greylingcerts@greyling.com	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Union Fire Ins Co of Pittsburg	19445
INSURER B : Everest National Insurance Company	10120
INSURER C : Allied World Assurance Co (U.S.) Inc.	19489
INSURER D : New Hampshire Insurance Company	23841
INSURER E :	
INSURER F :	

INSURED
Geosyntec Consultants, Inc.
900 Broken Sound Parkway NW, Suite 200
Boca Raton, FL 33487-0000

COVERAGES **CERTIFICATE NUMBER:** 1706882601 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY [X] PRO-JECT [X] LOC OTHER:			GL5268179	4/1/2024	4/1/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 500,000 $ 25,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A A	**AUTOMOBILE LIABILITY** X ANY AUTO OWNED AUTOS ONLY X HIRED AUTOS ONLY SCHEDULED AUTOS X NON-OWNED AUTOS ONLY			CA4489673 CA4489674 (MA)	4/1/2024 4/1/2024	4/1/2025 4/1/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 2,000,000 $ $ $ $
B	X **UMBRELLA LIAB** X OCCUR X **EXCESS LIAB** CLAIMS-MADE DED RETENTION $			XC3EX00336241	4/1/2024	4/1/2025	EACH OCCURRENCE AGGREGATE 	$ 10,000,000 $ 10,000,000 $
D A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [N] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC015893709 (AOS) WC015893710 (CA)	4/1/2024 4/1/2024	4/1/2025 4/1/2025	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 2,000,000 $ 2,000,000 $ 2,000,000
C	Professional Liability (PL)/ Contractors Pollution Liab (CPL)			03122723	4/1/2024	4/1/2025	Each Act Aggregate	$8,000,000 $10,000,000

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

The City of Redondo Beach, its officers, elected and appointed officials, employees & volunteers are named as Additional Insureds on the above referenced liability policies with the exception of workers compensation, pollution & professional liability where required by written contract. The above referenced liability policies with the exception of professional liability are primary & non-contributory where required by written contract. Separation of Insureds applies to the General Liability Policy. Should any of the above described policies be cancelled by the issuing insurer before the expiration date thereof, 30 days' written notice (except 10 days for nonpayment of premium) will be provided to the Certificate Holder named below.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach CA 90277-0000

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND GEOSYNTEC CONSULTANTS, INC.

This Second Amendment to the Agreement for Consulting Services ("Second Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Geosyntec Consultants, Inc., a Florida Corporation ("Consultant" or "Contractor").

WHEREAS, on November 17, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on May 3, 2023, the parties entered into a First Amendment ("First Amendment") to the Agreement to add to the scope of services, extend the term and increase the compensation; and

WHEREAS, the parties desire to add to the scope of services, extend the term and increase the compensation of 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. Scope of Services. Exhibit "A" of the Agreement is hereby amended to add the following services:

   Consultant shall perform the following duties associated with the Fulton Playfield Multi-Benefit Stormwater Capture Project.

   Task 1- Project Planning

   Task 1.1 - Progress Meetings, Schedules & Coordination

   - Attend a kick-off meeting and up to 11 progress/review conference calls, meetings with the City Staff and other interested parties
   - Provide additional project management duties to complete the Project, including, without limitation, coordination with subconsultants, responding to emails, and scheduling meetings, preparing agenda
   - Prepare summary notes from meetings, support material for meetings upon City's request, and provide a detailed project schedule

   Task 1.2 – Environmental Compliance

   - Prepare a draft and a final project description with adequate information to support analysis of environmental issues to address CEQA clearance documentation

- Work with City's planning department to apply for CEQA Exemption pursuant to California Code of Regulations Section 15303 and Section 15332
- Coordinate filing of the notice of Exemption (NOE), including recording at the LA County's office

Task 1.3 – Safe Clean Water Program Reporting

- Prepare a total of 8 quarterly reports to reflect the project progress for submittal to the Safe Clean Water Program.
- Prepare a total of 2 annual reports to reflect the project progress for the submittal to Safe Clean Water Program

Task 1.4 – Community Outreach

- Develop a Shareholder and Community Outreach Plan detailing specific outreach activities
- Coordinate two community meetings during the design phase, and one meeting during the bidding and award phase to provide an update on the Project design process and receive stakeholder input.
- Design, install, and maintain information signs of the Project around the public rights-of-way adjacent to the Project site.
- Prepare a report for the final project design including consolidated outreach materials, summaries of outreach and engagement activities, and summaries of feedback and findings.

Task 2- Project Design

Task 2.1 - Research, Data Collection, Analysis

- Conduct a site visit to gather information on existing site conditions.
- Review available records of the utilities provided by the City and the utility companies

Task 2.2 - Geotechnical Engineering Analysis

- Review available information, perform a site reconnaissance and identify subsurface utilities
- Conduct geotechnical field exploration and analytical laboratory testing
- Prepare a geotechnical engineering report to summarize the results of exploration.

Task 2.3 – Topographic Survey

- Perform topographic survey and prepare topographic map based on the ground survey.

Task 2.4 – Los Angeles County Flood Control District (LACFCD) Permit

- Prepare permit application and all the required documentation, hydraulic models and coordinate with LAFCD throughout design phase.

Task 2.5 – Engineering Design

- Perform drainage analysis and develop complete project design
- Submit 75% plans and construction documents for City review
- Submit 100% plans and construction documents for City review

Task 3- Construction Support

- Provide bidding support, documentation and assist with bid evaluation and contract negotiations for up to 20 hours
- Provide engineering support during construction phase for up to 6 requests for information, 12 submittals and 2 change order requests.
- Provide up to 10 hours per week construction management support during construction phase

2. Term. Exhibit "B" of the Agreement is hereby amended to extend the term of the Agreement to April 4, 2028.

3. Compensation. Exhibit "C" of the Agreement is hereby amended to increase the compensation for the additional duties added by this Second Amendment as follows:

   Consultant shall be paid in accordance with the following schedule for the added services described in this Second Amendment.

	Task	Total
Task-1	Project Planning -Fulton Playfield	$111,300
Task-2	Project Design -Fulton Playfield	$253,000
Task-3	Construction Support- Fulton Playfield	$73,600
Total		**$437,900**

In no event shall the Consultant's total compensation for the additional services included in this Second Amendment exceed $ 437,900. The total not-to-exceed amount for this Agreement is $1,470,482. Consultant's total compensation shall include all expenses, materials, labor, shipping, tax and travel.

4. No Other Amendments. The Agreement, this Second Amendment and the First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, this Second Amendment and First Amendment, the terms of this Second Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 18th day of April, 2023.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
William Brand
E6413C7231DF4E1...

William C. Brand, Mayor

GEOSYNTEC CONSULTANTS, INC.
a Florida corporation

DocuSigned by:
Christopher Wessel
14ED8B97542D4DE...

By:
Name: Christopher Wessel
Title: Senior Principal

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

Client#: 25361 GEOSCONS

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/24/2022

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

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

PRODUCER	CONTACT NAME: Carly Underwood	
Greyling Ins. Brokerage/EPIC 3780 Mansell Road, Suite 370 Alpharetta, GA 30022	PHONE (A/C, No, Ext): 770.670.5324	FAX (A/C, No):
	E-MAIL ADDRESS: carly.underwood@greyling.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : National Union Fire Ins. Co.	19445
INSURED Geosyntec Consultants, Inc. 900 Broken Sound Parkway NW, Suite 200 Boca Raton, FL 33487	INSURER B : Aspen American Insurance Company	43460
	INSURER C : Allied World Assurance Company (U.S.)	19489
	INSURER D : New Hampshire Ins. Co.	23841
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER: 22-23** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			GL5268179	04/01/2022	04/01/2023	EACH OCCURRENCE	$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$500,000
							MED EXP (Any one person)	$25,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$2,000,000
	POLICY X PRO-JECT X LOC						PRODUCTS - COMP/OP AGG	$2,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY			CA4489673	04/01/2022	04/01/2023	COMBINED SINGLE LIMIT (Ea accident)	$2,000,000
	X ANY AUTO			(AOS)			BODILY INJURY (Per person)	$
A	OWNED AUTOS ONLY / SCHEDULED AUTOS			CA4489674	04/01/2022	04/01/2023	BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY			(MA)			PROPERTY DAMAGE (Per accident)	$
								$
B	UMBRELLA LIAB X OCCUR			CX005GA22	04/01/2022	04/01/2023	EACH OCCURRENCE	$10,000,000
	X EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$10,000,000
	DED X RETENTION $0							$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC015893709	04/01/2022	04/01/2023	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N: N	N / A		(AOS)			E.L. EACH ACCIDENT	$1,000,000
A	(Mandatory in NH)			WC015893710			E.L. DISEASE - EA EMPLOYEE	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below			(CA)			E.L. DISEASE - POLICY LIMIT	$1,000,000
C	Prof Liab (PL)/ Contr. Poll (CPL)			03122723	04/01/2022	04/01/2023	Each Act $8,000,000 Aggregate $10,000,000	

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

The City of Redondo Beach, its officers, elected and appointed officials, employees & volunteers are named as Additional Insureds on the above referenced liability policies with the exception of workers compensation, pollution & professional liability where required by written contract. The above referenced liability policies with the exception of professional liability are primary & non-contributory where required by written contract. Separation of Insureds applies to the General Liability Policy. Should any of (See Attached Descriptions)

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277-0000

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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DESCRIPTIONS (Continued from Page 1)

the above described policies be cancelled by the issuing insurer before the expiration date thereof, 30 days' written notice (except 10 days for nonpayment of premium) will be provided to the Certificate Holder named below.

FIRST AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND GEOSYNTEC CONSULTANTS, INC.

This First Amendment to the Agreement for Consulting Services ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Geosyntec Consultants, Inc., a Florida Corporation ("Consultant" or "Contractor").

WHEREAS, on November 17, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, the parties desire to add to the scope of services, extend the term and increase the compensation of 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. Scope of Services. Exhibit "A" of the Agreement is hereby amended to add the following services:

   "Consultant shall perform the following services for stormwater compliance support for the City, including implementation of the 2021 Updated Beach Cities Enhanced Watershed Management Plan ("EWMP") and 2021 Regional Water Quality Control Board Stormwater Permit.

   Task 5 – Stormwater Grant Support: In conjunction with the Updated Beach Cities EWMP and the identification of new stormwater projects within the City, Consultant to provide support related to the completion of feasibility studies for Safe Clean Water Regional Program funding. Feasibility studies will be prepared in accordance with the Safe Clean Water Program Feasibility Study Guidelines and will include:
   • Project background and other applicable narrative for the preliminary design and engineering analysis, including water quality and water supply benefits analysis;
   • Information derived from a preliminary site investigation, including environmental history (via a Phase I records search and ASTM report) and utilities clearance;
   • A monitoring plan;
   • An operations and maintenance plan;
   • A lifecycle cost analysis; and
   • Additional information such as community benefits, vector control analysis, etc.

   Consultant to prepare up to two Feasibility Studies focused on project design funding. One of these studies shall be prepared for submission by the July 2022 Safe Clean Water Funding deadline. Consultant to provide all necessary support for project applications following submission (e.g., presentations to the SCW Scoring Committee, WASC, etc.).

Consultant to support the City with other applications or support for additional grant funding opportunities (e.g., Prop 1 Stormwater Grants).

Task 6 – Drywell Feasibility Screening and Siting: Consultant to evaluate the feasibility of implementing infiltration drywells (or other infiltration BMPs) in selected areas within the City, as outlined in the Updated Beach Cities EWMP. Work may include:

- A desktop Geographic Information System (GIS) analysis to identify areas favorable for drywell implementation within the City.
- Preliminary siting of drywells to meet volume capture requirements identified in the Updated Beach Cities EWMP.
- Modeling of the proposed drywells using WMMS 2.0.
- Conceptual site layouts and preliminary design of the proposed

Task 7 – Stormwater Project Design: Consultant to provide detailed (100%) design for various types of stormwater projects. As noted above, design may include feasibility analyses and siting, as well as utility clearance, permitting, and construction cost analyses. Geosyntec an also prepare full bid packages, including complete Plans, Specifications, and Estimates, so that the City can bid projects for construction, as requested by the City.

Task 8 – Community Engagement and Outreach: Provide SCW Feasibility Study outreach with Murakawa Communications, as requested by the City, to provide community engagement and public outreach related to stormwater projects in the City. Murakawa Communications' scope of work may include, but is not limited to:

- Planning/communications with the City and Beach Cities WMG;
- Reconnaissance work (such as canvassing, surveying, scouting);
- Production and distribution of collateral documents to be used in information sharing;
- Placement of advertisements through various print and social media outlets;
- Leadership of community meetings and/or individual stakeholder meetings with key constituents.

Task 9 - Preliminary Engineering Design & Permitting Urban Runoff Low Flow Sanitary Sewer Diversions: Consultant to conduct preliminary planning, engineering & design, and permitting for up to two urban runoff low flow diversions to the sanitary sewer. The scope of work will include conducting location site investigations, assessing nearby utilities and other potential siting conflicts, assessing land ownership, assessing various county and city infrastructure to identify land and partnership opportunities and challenges, performing geotechnical investigations, performing underground service alerts, conducting civil surveying to create a base map, performing conceptual project engineering design (base plan set), researching required permits and agency partner agreements, creating an engineering cost estimate, and preparing a report summarizing all findings. The final report will be

used to pursue Safe Clean Water funding for project design and buildout and will incorporate all necessary items required form the Safe Clean Water Scoring Committee."

2. Term. Exhibit "B" of the Agreement is hereby amended to extend the term of the Agreement to July 1, 2026.

3. Compensation. Exhibit "C" of the Agreement is hereby amended to increase the compensation for the additional duties added by this First Amendment as follows:

   "Consultant shall be paid in accordance with the following schedule for the added services described in the First Amendment.

Rate Schedule:	($/Hour)
Staff Professional	$140
Senior Staff Professional	$164
Professional	$185
Project Professional	$208
Senior Professional	$235
Principal	$255
Senior Principal	$275
Project Administrator	$ 78

   Direct Expenses Cost plus 12%
   Specialized Computer Applications (per hour) $ 24
   Personal Automobile (per mile) Current Gov't Rate.

   In no event shall the Consultant's total compensation for the additional services included in this First Amendment exceed $ 400,000. The total not-to-exceed amount for this Agreement is $1,032,582. Consultant's total compensation shall include all expenses, materials, labor, shipping, tax and travel."

4. No Other Amendments. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First amendment shall govern.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 3rd day of May, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

William C. Brand, Mayor

GEOSYNTEC CONSULTANTS, INC.
a Florida corporation

By: _____
Name: KEN SUSILO
Title: VICE PRESIDENT

ATTEST:

Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 3rd day of May, 2022.

CITY OF REDONDO BEACH,
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William C. Brand, Mayor

GEOSYNTEC CONSULTANTS, INC.
a Florida corporation

By:
Name: KEN SUSILO
Title: VICE PRESIDENT

ATTEST:

Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

Client#: 25361 GEOSCONS

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/24/2022

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

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

PRODUCER	CONTACT NAME: Carly Underwood	
Greyling Ins. Brokerage/EPIC 3780 Mansell Road, Suite 370 Alpharetta, GA 30022	PHONE (A/C, No, Ext): 770.670.5324	FAX (A/C, No):
	E-MAIL ADDRESS: carly.underwood@greyling.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : National Union Fire Ins. Co.	19445
INSURED Geosyntec Consultants, Inc. 900 Broken Sound Parkway NW, Suite 200 Boca Raton, FL 33487	INSURER B : Aspen American Insurance Company	43460
	INSURER C : Allied World Assurance Company (U.S.)	19489
	INSURER D : New Hampshire Ins. Co.	23841
	INSURER E :	
	INSURER F :	

COVERAGES CERTIFICATE NUMBER: 22-23 REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			GL5268179	04/01/2022	04/01/2023	EACH OCCURRENCE	$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$500,000
							MED EXP (Any one person)	$25,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$2,000,000
	POLICY X PRO-JECT X LOC						PRODUCTS - COMP/OP AGG	$2,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY			CA4489673 (AOS)	04/01/2022	04/01/2023	COMBINED SINGLE LIMIT (Ea accident)	$2,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
A	OWNED AUTOS ONLY / SCHEDULED AUTOS			CA4489674 (MA)	04/01/2022	04/01/2023	BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	UMBRELLA LIAB X OCCUR			CX005GA22	04/01/2022	04/01/2023	EACH OCCURRENCE	$10,000,000
	X EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$10,000,000
	DED X RETENTION $0							$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			WC015893709 (AOS)	04/01/2022	04/01/2023	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N	N/A					E.L. EACH ACCIDENT	$1,000,000
A	(Mandatory in NH)			WC015893710 (CA)			E.L. DISEASE - EA EMPLOYEE	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	$1,000,000
C	Prof Liab (PL)/ Contr. Poll (CPL)			03122723	04/01/2022	04/01/2023	Each Act $8,000,000 Aggregate $10,000,000	

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

The City of Redondo Beach, its officers, elected and appointed officials, employees & volunteers are named as Additional Insureds on the above referenced liability policies with the exception of workers compensation, pollution & professional liability where required by written contract. The above referenced liability policies with the exception of professional liability are primary & non-contributory where required by written contract. Separation of Insureds applies to the General Liability Policy. Should any of (See Attached Descriptions)

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277-0000

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

D. H. Collings

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DESCRIPTIONS (Continued from Page 1)

the above described policies be cancelled by the issuing insurer before the expiration date thereof, 30 days' written notice (except 10 days for nonpayment of premium) will be provided to the Certificate Holder named below.

AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND GEOSYNTEC CONSULTANTS, INC.

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Geosyntec Consultants, Inc., a Florida corporation ("Consultant" or "Contractor").

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."

2. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.

2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials,

shall be specific for the project herein and shall not be used by the City for any other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.

6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may

authorize extra and/or changed work. Consultant expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Consultant to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Consultant thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Consultant is of the opinion that any work which Consultant has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Consultant shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Consultant on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Consultant and the City.

8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.

10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all

authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.

13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity Design Professional Services. In connection with its design professional services and to the maximum extent permitted by law, Consultant shall hold harmless and indemnify City, and its officials, officers, employees, agents, and designated volunteers (collectively, "Indemnitees"), with respect to any and all claims, demands, causes of action, damages, injuries, liabilities, losses, costs or expenses, including reimbursement of attorneys' fees and costs of defense, which arise out of, pertain to, or relate to in whole or in part to the negligence, recklessness, or willful misconduct of Consultant or any of its officers, employees, subcontractors, or agents in the performance of its design professional services under this Agreement.

a. Other Indemnities. In connection with any and all claims, demands, causes of action, damages, injuries, liabilities, losses, costs or expenses, including attorneys' fees and costs of defense (collectively, "Damages" hereinafter) not covered by the foregoing paragraph, and to the maximum extent permitted by law, Consultant shall defend, hold harmless and indemnify the Indemnitees with respect to any and all Damages, which arise out of, pertain to, or relate to the acts or omissions of Consultant or any of its officers, employees, subcontractors, or agents in the performance of this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the City. Consultant shall defend Indemnitees in any action or actions filed in connection with any such Damages. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

b. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

c. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

a. Acknowledgement. Consultant acknowledges that eight (8) hours labor constitutes a legal day's work. Consultant shall comply with and be bound by Labor Code Section 1810. Consultant shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Consultant shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this

Agreement by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Consultant in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 11/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Consultant shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Consultant shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Consultant shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Consultant shall diligently take corrective action to halt or rectify the failure.

b. Prevailing Wages. City and Consultant acknowledge that this project is a public work to which prevailing wages apply. Consultant shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.

18. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or

net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.

23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

25. Time of Essence. Time is of the essence of this Agreement.

26. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of

law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

30. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

31. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 17th day of November, 2020.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
William C. Brand
E6413C7231DF4E1...

William C. Brand, Mayor

GEOSYNTEC CONSULTANTS, INC.,
a Florida corporation

DocuSigned by:
Ken J. Susilo
A976CD0546B4435...

By:
Name: Ken J. Susilo
Title: Vice President

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Risk Manager Diane Strickfaden

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

CONSULTANT'S DUTIES

Consultant shall perform the following duties to update and revise the Beach Cities Enhanced Watershed Management Plan (EWMP) and Reasonable Assurance Analysis (RAA) (collectively "Project"). Consultant shall also perform up to four subsequent stormwater feasibility studies ("Subsequent Projects")

A. Task 1 – Project Management, Coordination, and Meetings

1. Provide all activities related to the management of the Project as set forth below.
   a. Attend all monthly Beach Cities Watershed Management Group ("WMG") meetings.
   b. Attend up to four additional meetings, including those with the Los Angeles Regional Board Staff and/or Technical Advisory Committee members.
   c. Attend and be an active participant by sharing information and resolving any issues and concerns on the Project-related calls.
   d. Provide additional Project management duties to complete the Project, including without limitation coordination with subconsultants, responding to emails, and scheduling meetings.
   e. Prepare summary notes from meetings, support material for meetings upon City's request, and provide a detailed Project schedule.

B. Task 2 – Revised EWMP Planning

1. Identify water quality priorities as set forth below.
   a. Update analyses for all applicable water quality data and confirmation of the various water quality priorities to be included in the revised EWMP.
   b. Perform all required analyses for completion of the RAA, including without limitation performing a long-term trends analysis of shoreline bacteria data.
   c. Prepare a memorandum summarizing results of analyses performed related to the water quality prioritization and a summary of any changes proposed to the EWMP/RAA related to these water quality priorities.
2. Summarize existing and potential control measures. Perform updates to the existing and potential stormwater control measures in the Beach Cities Area. Identify all stormwater controls as part of the revised RAA/EWMP, including prioritizing regional projects to be considered by the WMG within a few key sub-watersheds and removal of Best Management Practices ("BMPs") no longer considered for implementation by the WMG.
3. Summarize a proposed approach to the revised RAA process.

C. Task 3 – Revised EWMP

1. Prepare a final list of regional projects to be included in the RAA and initially screen each project to verify inclusion in the revised EWMP.

2. Update and re-run the RAA.

    a. Prepare technical memorandum comparing two models for the RAA, the County's Watershed Management Modeling System (WMMS) and the Structural BMP Prioritization and Analysis Tool (SBPAT).

    b. Once the WMG determines the preferred RAA model to update the EWMP, utilize the preferred model.

    c. Modify the RAA software with the addition of applicable water quality data and calibrate based on flow data collected in accordance with the Beach Cities Coordinated Integrated Monitoring Plan. Ensure the RAA shall iteratively analyze various BMP scenarios in targeted watersheds to identify the Subsequent Projects' implementation strategy that demonstrates reasonable assurance of compliance with applicable laws, regulations and rules while also meeting the Beach Cities requirements of siting, funding, and scheduling.

3. Prepare a draft and final revised EWMP.

    a. Reformat the revised EWMP to be consistent with recent EWMPs, including but not limited to, the 2018 Rio Hondo/San Gabriel River Revised EWMP. Input the most technical information to appendices and simplify the main body of the EWMP to make it more user-friendly.

    b. Submit the revised EWMP in electronic format (draft, final draft, and final) in accordance with the schedule determined by WMG.

    c. Submit a hard copy of the Final EWMP to each of the Beach Cities Group Members (five hard copies).

    d. Provide one round of revision based on the comments received from the Regional Board. Submit a final version to the Regional Board by June 30, 2021.

D. Task 4 – Safe, Clean Water Program Feasibility Studies

1. Conduct background research, planning, and concept design for the Subsequent Projects agreed on by the WMG, in coordination with Task 3. Incorporate the information gathered into the feasibility studies.

2. Conduct preliminary design and engineering analysis for three of the Subsequent Projects agreed to by the WMG. Perform a preliminary geotechnical investigation for three project locations to evaluate the soil characteristics, geologic conditions, and groundwater conditions with regard to the feasibility of on-site stormwater infiltration. Include subsurface exploration, field infiltration

testing, geotechnical laboratory testing, and focused engineering analyses, as appropriate.

3. Conduct public outreach on at least three project locations to allow public input on the Project development. Ensure the public outreach is in the City and led by a reputable subcontractor which shall be subject to City approval. Inform the communities about upcoming work that will serve these neighborhoods and ensure that all interested community members are sufficiently heard. Include the following tasks in the public outreach.
    a. Plan and frequently communicate with the WMG.
    b. Perform reconnaissance work (such as canvassing, surveying, scouting).
    c. Produce and distribute collateral documents to be used in information sharing.
    d. Place advertisements through various print and social media outlets.
    e. Provide leadership for up to six community meetings and/or individual stakeholder meetings with key constituencies.

4. Prepare draft and final feasibility studies for the Subsequent Projects. Submit final feasibility studies through the Safe Clean Water Program project portal by the July 31, 2021 deadline. Prepare the feasibility studies in accordance with the Safe Clean Water Program Feasibility Study Guidelines and ensure it includes the following components.
    a. Project background and other applicable narrative;
    b. A preliminary design and engineering analysis, including water quality and water supply benefits analysis;
    c. Information derived from a preliminary site investigation, including environmental history (from a Phase I records search and ASTM report) and utilities clearance;
    d. Geotechnical information;
    e. A monitoring plan;
    f. An operations and maintenance plan;
    g. A lifecycle cost analysis; and
    h. Additional information such as community benefits, and vector control analysis.

EXHIBIT “B”

SCHEDULE FOR COMPLETION

TERM. The term of the Agreement shall commence on November 17, 2020 and expire on November 17, 2023, unless otherwise terminated herein.

EXHIBIT "C"

COMPENSATION

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

A. **AMOUNT.** Consultant shall be paid the hourly rates set forth in the attached schedule.

B. **REIMBURSABLE EXPENSES.** Consultant will be reimbursed for the expenses provided in the attached schedule; provided, however, that Consultant obtains prior written approval from the City Engineer or designee. Consultant shall provide receipts for the expenses and prepare a reconciliation of the expenses.

C. **NOT TO EXCEED AMOUNT.** In no event shall the total amount paid to Consultant, including without limitation, compensation, expenses, materials, labor, shipping, and tax exceed the amounts set forth below.

Section in Exhibit "A"	Task	Total
A	Project Management, Coordination, and Meetings	$28,220
B.1	Identification of Water Quality Priorities	$15,910
B.2	Summary of Existing & Potential Control Measures	$13,774
B.3	Reasonable Assurance Analysis Approach	$10,456
C.1	List of Regional Projects & Initial Screening	$12,048
C.2	Identify Selected Control Measures & Conduct RAA	$83,072
C.3	Prepare Draft and Final EWMP	$55,568
D.1	Feasibility Studies Planning & details (4 Projects)	$76,392
D.2	Prepare Draft & Final Safe Clean Water Feasibility Studies (4 projects)	$46,096
D.3	Feasibility Studies Preliminary Design/Engineering Analysis (3 PROJECTS)	$198,969
D.4	Feasibility Studies Public Outreach and Engagement (3 projects)	$92,077
Total		**$632,582**

D. **METHOD OF PAYMENT.** Consultant shall provide monthly invoices to City for approval and payment for those services performed in the month prior to invoice submission. Invoices must include the following information.

1. Task number
2. All personnel who performed work on the Task Proposal
3. Description of the work performed
4. Number of hours worked
5. Hourly rate

6. All City approved and documented subcontractor invoices.
7. If applicable, expenses incurred.

Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, and attach the prior written authorization of the City and copies of receipts to substantiate expense requests. Consultant may be required to provide back-up material upon request.

E. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within thirty (30) days of City's receipt of the monthly invoice; provided, however, that payments by City shall not exceed the proportion of the phase or task completed, and payment for each phase or task shall not exceed the amounts described in Section A of this Exhibit "C".

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

Consultant: Geosyntec Consultants
6167 Bristol Parkway, Suite 390
Culver City, CA 90230
Attn: Christopher Wessel

City: City of Redondo Beach
Public Works Department, the Engineering Division
415 Diamond Street
Redondo Beach, CA 90277
Attn: Andrew Winje

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by certified or registered mail. 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.

EXHIBIT “D”

INSURANCE REQUIREMENTS FOR CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, 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 work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Errors and Omissions liability insurance appropriate to the consultant's profession. Architects' and Engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: $1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project/location.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Errors and Omissions liability: $1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of work performed by or on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Consultant.

For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Errors and Omissions policy, if written on a claims made basis, shall be maintained by the Consultant for a period of one year after the completion of the project.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Consultant's part.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements are to be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.

4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq*. concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813

concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

> "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.

OP ID: BE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/13/2020

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

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

PRODUCER Capizzi Insurance Agency, Inc. License No. OB45329 P.O. Box 489 Downey, CA 90241-0489 CAPIZZI INSURANCE	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: RONSMAI
INSURED RON'S MAINTENANCE 11542 HORLEY AVENUE DOWNEY, CA 90241	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : COLONY INSURANCE COMPANY INSURER B : CALIFORNIA AUTOMOBILE INS — 38342 INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC	X		103 GL 015362-04	09/07/2020	09/07/2021	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG MAX AGG	$ 1,000,000 $ 100,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $ 5,000,000
B	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [X] HIRED AUTOS [X] NON-OWNED AUTOS			BA040000047562	10/21/2020	10/21/2021	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (PER ACCIDENT)	$ 1,000,000 $ $ $
A	[ ] UMBRELLA LIAB [X] OCCUR [X] EXCESS LIAB [ ] CLAIMS-MADE [ ] DEDUCTIBLE [ ] RETENTION $			XS4247342	09/07/2020	09/07/2021	EACH OCCURRENCE AGGREGATE	$ 3,000,000 $ 3,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N [ ] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ $ $

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

JOB: CATCH BASINS THROUGHOUT THE CITY.
CITY OF REDONDO BEACH IS NAMED ADDITIONAL INSURED AS REQUIRED BY WRITTEN CONTRACT PER FORMS CG 20 33 04 13 AND CG 20 37 04 13.

COVERAGE IS SUBJECT TO POLICY FORMS, TERMS, CONDITIONS AND EXCLUSIONS.

CERTIFICATE HOLDER

REDOND1

CITY OF REDONDO BEACH
531 N.GENTRUDA AVE.
REDONDO BEACH, CA 90271

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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POLICY NUMBER: 600 GL 0015362-04

COMMERCIAL GENERAL LIABILITY
CG 20 37 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
All persons or organizations as required by written contract with the Named Insured	Commercial Projects designated in written contract with the Named Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. **Section II – Who Is An Insured** is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or

2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

However, the insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and

2. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.

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2. "Bodily injury" or "property damage" occurring after:

a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement you have entered into with the additional insured; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

© Insurance Services Office, Inc., 2012

Administrative Report

H.11., **File #** 25-1421 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

TITLE

APPROVE A TRANSIT SERVICES AGREEMENT WITH THE CITY OF HERMOSA BEACH FOR OPERATION OF BEACH CITIES TRANSIT LINE 109 FOR A ONE-YEAR PERIOD, BEGINNING JULY 1, 2025 THROUGH JUNE 30, 2026, FOR A FEE OF $17,183

ADOPT BY 4/5THS VOTE AND TITLE ONLY RESOLUTION NO. CC-2510-081, A RESOLUTION OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2025-26 BUDGET MODIFICATION TO ALLOCATE $17,183 FROM THE CITY OF HERMOSA BEACH FOR BEACH CITIES TRANSIT LINE 109 COST SHARING TO TRANSIT FUNDS

EXECUTIVE SUMMARY

The Transit Division provides regional bus service through Beach Cities Transit (BCT) Line 109, connecting several cities from Redondo Beach to Los Angeles International Airport (LAX). To support the operational costs of the line, which runs through Hermosa Beach, Manhattan Beach, and El Segundo, the City maintains agreements with each BCT Partner City. During the pandemic, COVID-19 relief funds provided enough supplemental funding to allow the continuity of Line 109 without contributions from the BCT Partner Cities. With that funding no longer available, cost-sharing with BCT Partner Cities must resume. The City Council approved funding agreements with the cities of El Segundo and Manhattan Beach on August 19, 2025, and this item will formalize the one-year funding agreement approved by the City of Hermosa Beach in an amount of $17,183. Staff recommends City Council approve the proposed Agreement with the City of Hermosa Beach to maintain Line 109 operations and approve the associated Resolution to appropriate the funding in the BCT Line 109 related transit fund.

BACKGROUND

The Transit Division of the Community Services Department provides a variety of transit services to the City of Redondo Beach as well as neighboring cities. BCT Line 109, the longest route within BCT, runs from Riviera Village to the LAX/Metro Transit Center, serving Redondo Beach, Hermosa Beach, Manhattan Beach, El Segundo, and LAX. In 2006, the City of Redondo Beach executed Transit Service Agreements with the BCT Partner Cities to offset the cost of operating BCT Line 109. This supplemental funding was necessary to ensure continuity of service and support operating expenses incurred by the transit operations contractor, fuel costs, and Real-Time Information (RTI) technology. Subsequent agreements have been executed with all BCT Partner Cities since 2006. The BCT Partners are informed of annual cost estimates through a BCT Line 109 Cost Sharing Proposal.

The City of Redondo Beach has been the recipient of funding offsets from BCT Partner Cities since the creation of Line 109, except for FY 2019-20 through FY 2024-25. During that period of time, the City received dedicated COVID-19 relief funds that helped offset funding shortfalls for the operation of Line 109, resulting in the BCT Partner Cities receiving Line 109 services free of charge. However, COVID-19 relief funding is no longer available. Additionally, Metro has indicated there will be a 10% decrease in anticipated funding in the upcoming fiscal year. These factors, coupled with rising costs for the operation of Line 109, have resulted in the need to resume cost sharing with BCT's partner agencies.

Offset Calculation

The proposed cost-sharing amounts were calculated based on historical agreements with each agency, which considered the percentage of revenue service miles that BCT Line 109 travels through each city. These percentages were then applied to the estimated funding gap. If approved, these offsets would provide the necessary funding to maintain service levels for each city in FY 2025-26. In the future, additional adjustments are necessary to ensure sufficient funding is available to maintain the current service levels for BCT Line 109. All funding collected will be applied directly to the BCT Line 109 operational expenses account.

The annual estimated cost for operation of BCT Line 109 for FY 2025-26 is reflected in the following table:

Estimated Expenditures 2025-2026

Estimated Line 109 Costs		**Estimated Transit Funding**
Operations	$2,102,803	Formula All (FAP) $1,626,847
Fuel	$252,329	
RTI Capital/Ops	$22,500	Fare Revenues $130,000
Total Estimated Cost	**$2,377,632**	**Total Estimated Revenues $1,756,847**
		Net Shortfall $620,785

Historically, funding contribution requests have increased year-over-year at an average of 10%; however, for FY 2025-26, BCT Partner Cities were asked to contribute based on a 15% year-over-year increase from their last contribution in FY 2018-19. This approach captures the increase in the Consumer Price Index, along with increases in the Transit Operator contract costs, which is managed through a separate service agreement held by the City to ensure comprehensive management and operation of bus service for the City's Transit Division. Included below is an overview of historical offset funding provided by the BCT Partner Cities. BCT will utilize Proposition A Local Return Funds to cover the remaining costs that exceed BCT Partner Cities contributions.

Cost Sharing History Chart

City	**Route Service Mile Allocation%**	FY 2018-19 **Actual**	FY 2019-20 through FY2024 - 2025 **Actual**	FY 2025-26 **Projected**
Redondo Beach	34.95%	$20,791	$0	$55,304
Hermosa Beach	10.89%	$6,460	$0	$17,183
Manhattan Beach	16.05%	$9,521	$0	$25,326
El Segundo	38.11%	$22,606	$0	$60,132
Total Contribution	100%	$59,378	$0	$157,947
Prop A Local Return				$462,838
Total Offset				$620,785

El Segundo
The City of El Segundo approved the Agreement for BCT Line 109 services on June 17, 2025, at a cost of $60,132, with a term running from July 1, 2025 to June 30, 2026. City Council approved this agreement on August 19, 2025.

Manhattan Beach
The City of Manhattan Beach approved the Agreement for BCT Line 109 services on June 18, 2025, at a cost of $25,326, with a term running from July 1, 2025 to June 30, 2026. City Council approved this agreement on August 19, 2025.

Hermosa Beach
The City of Hermosa Beach approved the proposed Agreement for BCT Line 109 services on August 19, 2025, at a cost of $17,183, with a term running from July 1, 2025 to June 30, 2026.

City staff provides the cities of Hermosa Beach, Manhattan Beach, and El Segundo with service information, collaborates on operations, promotions, and marketing, and also provides updates regarding transit issues, when necessary. Staff also coordinates the distribution of BCT bus schedules at city halls, libraries, Chambers of Commerce, employment centers, and online via city websites and social media accounts in Redondo Beach, Hermosa Beach, Manhattan Beach, and El Segundo. Staff in the City of Redondo Beach is responsible for monitoring BCT Line 109 expenses to confirm that cost-sharing among partner cities remains aligned with the established agreements.

Staff recommends City Council approve the Transit Services Agreement with the City of Hermosa Beach for $17,183 and the attached Resolution to appropriate funding from the City of Hermosa Beach in the Transit Fund BCT Line 109 account.

COORDINATION

Staff from the Transit Services Division coordinated the development of the Transit Services Agreement, with the City of Hermosa Beach. The agreement has been approved as to form by the City Attorney's Office.

FISCAL IMPACT

As illustrated above, contributions from partner cities account for a small portion of the overall cost of BCT Line 109 Services. The total annual cost of the Line is $2,377,632 and is primarily funded by transportation restricted Formula Allocation Procedure (FAP) and Proposition A Local Return funds. The funds provided by Hermosa Beach will be appropriated into the Transit Operations account to cover the City's pro-rata share of Line 109 expenses.

PARTNER CITY FUNDS		**PARTNER CITY EXPENSES**	
Manhattan Beach	$ 25,326	BCT Line 109 Operations	$102,641
El Segundo	$ 60,132		
Hermosa Beach	$ 17,183		
TOTAL	$102,641	**TOTAL**	$102,641

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Transit Service Operations Agreement with the City of Hermosa Beach
- Reso - No. CC-2510-081 Authorizing a FY 2025-26 Budget Modification to Allocate $17,183 from the City of Hermosa Beach for Cost Sharing for Beach Cities Transit Line 109
- FY 2025-26 BCT Cost Sharing Proposal

BCT Line 109
Cost Sharing Proposal: Fiscal Year 2025-2026

April 2025

Beach Cities Transit (BCT) operates Line 109 route with agency partners, including Redondo Beach, Hermosa Beach, Manhattan Beach and El Segundo. The partner agencies have shared operating costs for Line 109.

Since FY 2019-20, BCT Line 109 operations have been fully-funded by the City's annual Transit Formula Procedure funding (FAP) allocations and Proposition A Local Return Funds. Cost sharing funds were not needed from the partner Cities for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25.

Service Overview

BCT transit ridership continues to be in recovery, and BCT is approximately 80% of pre-COVID-19 pandemic levels, consistent with regional and national transit providers. Other transit enhancements such as the Real-Time Information (Google Maps, Transit App, Moovit, etc.) and TAP cards continue to give passengers a seamless ride on BCT and other regional transit systems.

Updates

1. The City of Redondo Beach has onboarded a new Transit Manager and Transit Analyst, and is in the process of recruiting a Senior Management Analyst. These additions will enhance our capacity to manage and execute transit projects while maintaining BCT operations.
2. The transit operations contract is being awarded and is expected to be announced in May 2025. The estimates provided are based on the new award contract.
3. BCT is looking forward to transitioning from the social media platform "X" to Instagram. This shift aims to improve communication and engagement with the community, which will support BCT goals by increasing public awareness and participation.
4. With the new LAX Metro Transit Center opening, Route 109 will have minor adjustments to the route near the transit center. Information to follow once confirmed.

Statistics

Actual Service Statistics History of BCT Line 109 Chart

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Service Hours	18,881	17,351	20,285	20,292	20,307
Operating Cost	$1,262,133	$1,424,736	$1,683,783	$1,528,670	$1,840,266
Fare Revenues	$105,265	0	0	$61,952	$100,229
Passenger Trips	143,404	87,239	139,173	140,553	142,877

Transit Funding

Los Angeles Metro's annual Transit Formula Allocations Procedure program (FAP) to municipal transit operators is based on sales tax revenue receipts. Metro based Regional Funding estimates decrease for FY 2025-26 by 10% based on several economic forecasts.

Cost Sharing Allocation

The Cost Sharing Allocations are based on the percent of average route miles within each City. Redondo Beach will pay more than the other Cities' allocated percentage, in order to cover increased costs that exceed estimates. Since the pandemic, this year will be the first year City of Redondo Beach will ask our partner cities to contribute to the cost sharing allocation.

Estimates

Based on the preliminary FAP fund marks issued by Metro in March 2025, the City estimates FY 2025-26 BCT Line 109 operations will experience a shortfall of an estimated $620,785.

2025-2026 Estimated Expenditure

The expenses included in the cost sharing estimates for BCT Line 109 are the operating expenses incurred by the transit contractor, fuel expenses and Real-Time Information (RTI). The funding sources for these expenditures are based on the FAP and fare revenues.

Estimated Expenditures 2025-2026

Estimated Line 109 Costs		**Estimated Transit Funding**	
Operations	$2,102,803	Operation/RTI Funding FAP	$1,626,847
Fuel	$252,329	Fare Revenues	$130,000
RTI Capital/Ops	$22,500	Total Estimated Revenues	$1,756,847
Total EstimatedCost	**$2,377,632**	***Net Shortfall***	***$620,785***

Cost Estimates Fiscal Year 2025-2026

The total cost for FY 2025-26 is estimated at $2,377,632 for the operation of 20,307 projected annual service hours. Cost increases from the prior year are the result of increased fuel expenses, the transit contractor's annual operating increases, and real-time information system expenses. Since FY26 will be the first year asking partner cities to contribute to Line 109, the formula used to calculate the cost estimates is based on a 15% year-over-year increase from the last agreement paid to the City of Redondo Beach.

The chart below summarizes the cost breakdown by route miles allocated to each city using the total net shortfall multiplied by route miles.

City	Route Miles	FY26 Costs
Redondo Beach	34.95%	$216,964
Hermosa Beach	10.89%	$67,603
Manhattan Beach	16.05%	$99,636
El Segundo	38.11%	$236,581
Total	100%	$620,785

Redondo Beach will use the Prop A local return to cover 90% of the shortfall, effectively subsidizing the partner cities' expenses in the short term. Looking ahead, however, the current political climate introduces uncertainty regarding long-term funding. Therefore, to ensure the continued operation of Line 109, which is shared between Hermosa Beach, El Segundo, and Manhattan Beach, adjustments to the cost-sharing agreement will be necessary, and contributions from Beach Cities Transit's (BCT) partner cities will increase in subsequent years to cover ongoing operational costs.

Cost Estimates History Chart

City	Investment %	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21* FY 2021-22* Actual	FY 2022-23** FY 2024-25** Actual	FY 2025-26** Projected
Redondo Beach	34.95%	$20,791	$0	$0	$0	$55,304
Hermosa Beach	10.89%	$6,460	$0	$0	$0	$17,183
Manhattan Beach	16.05%	$9,521	$0	$0	$0	$25,326
El Segundo	38.11%	$22,606	$0	$0	$0	$60,132
Total Contribution	100%	$59,378	$0	$0	$0	$157,947
Prop A Local Return						$462,838
Net Shortfall						$620,785

*COVID Pandemic Year

**Post-COVID Pandemic Year

TRANSIT SERVICE OPERATION AGREEMENT
BETWEEN THE CITY OF REDONDO BEACH AND
THE CITY OF HERMOSA BEACH

THIS TRANSIT SERVICE OPERATION AGREEMENT (this "Agreement") is entered into by and between the City of Redondo Beach ("Redondo Beach"), on behalf of Beach Cities Transit ("BCT"), which is a division of Redondo Beach, and the City of Hermosa Beach ("Hermosa Beach"). Redondo Beach and Hermosa Beach are sometimes referred to herein as the "Parties", and individually as a "Party".

RECITALS

A. **WHEREAS**, on July 1, 2006, Redondo Beach and Hermosa Beach entered into that certain Transit Service Operation Agreement ("First Agreement") to enable BCT Line 109 as described in **Attachment A** to take over public transportation services for the discontinued Los Angeles County Metropolitan Transportation Authority ("LACMTA") Line 439 for a two (2) year term.

B. **WHEREAS**, Redondo Beach and Hermosa Beach subsequently entered into new agreements relating to Line 109 in 2008, 2010, 2011, 2012, 2013, 2015, 2017, 2019, 2020, 2021, 2022, 2023, and 2024 (the "2024 Agreement").

C. **WHEREAS**, the 2024 Agreement expires on June 30, 2025, and the Parties desire to enter into a new agreement on the terms and conditions set forth below.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. **TERM**
This Agreement shall be effective as of July 1, 2025, and shall have a one (1) year term expiring on June 30, 2026. Hermosa Beach acknowledges that an agreement in similar form to this Agreement or an amendment may be negotiated for continued Line 109 service beyond June 30, 2026. In the event Hermosa Beach intends to renew this Agreement, Hermosa Beach shall notify Redondo Beach of its intent to renew at least 182 days prior to the expiration of this term. Such notice shall not create any obligation on the part of the Hermosa Beach to renew or extend this Agreement unless a new agreement is executed in writing by both parties.

2. **SERVICE DESCRIPTION**
   A. Redondo Beach shall operate Line 109 consistent with the maps shown in **Attachment A**, which is attached hereto and by this reference incorporated herein ("Line 109" or the "Service").

   B. Redondo Beach engage a qualified transportation contractor to provide bus services to Line 109 on the days of the week, service times and days, and frequencies of service equal to or better than that which was operated by BCT immediately prior to the effective date of this Agreement. The service schedules for Line 109, as illustrated in **Attachment B** is attached hereto and by this reference incorporated

herein.

C. Redondo Beach may adjust the route and schedule of Line 109; however, any changes or reductions to the Service in excess of 10% of service hours shall be brought to Hermosa Beach in writing for review and comment prior to implementation. Redondo Beach Shall update all General Transit Feed Specifications ("GTFS") infrastructure when **any** updates are made to the Line 109 route, timetables, or bus stop locations. It is critical that a new GTFS file be created and uploaded to all downstream infrastructure if **any** update is made to the route path, scheduled timetable, or change in bus stop location since it will directly affect the quality of the data feed to customers via applications like Google Maps, Transit App, etc.

D. Redondo Beach reserves its rights, at its sole discretion, to enter into contracts for Line 109 service with any other provider of its choice at any time without the approval of Hermosa Beach. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall assure that the contract includes provisions pertaining to insurance, age, maintenance and operation of vehicles, driver qualifications and other similar provisions typical of an agreement of that kind.

E. Redondo Beach shall base the percentage of cost for Line 109 on the route service mile calculations, as illustrated in **Attachment C**, which is attached hereto and by this reference incorporated herein

3. **PASSENGER FARES**

Redondo Beach may charge fares for the Service consistent with its existing fixed-route service. Redondo Beach will accept interagency transfers with adjacent transit operators and participate in the EZ Pass Program. Redondo Beach shall retain all farebox revenues. BCT Line 109 passenger fare revenues shall be used to offset operation expenses.

4. **FUNDING**

A. For costs associated with the operation of Line 109, Hermosa Beach shall pay Redondo Beach in accordance with this Section. Hermosa Beach shall not pay Redondo Beach for capital costs nor shall Hermosa Beach provide equipment to operate the Service.

B. **FY 2025-2026:** Funding from Hermosa Beach shall be $17,183 for fiscal year 2025-2026.

Service operating expenses are incorporated in the service hour rates and include without limitation, driver wages, general administration and overhead, and maintenance costs. The calculation for these estimated costs shall be in accordance with the Management Agreement for the Operation and Maintenance of Beach Cities Transit Fixed Route Transit Between the City of Redondo Beach and Parking Concepts, Inc. dba Transportation Concepts**.** The estimated revenues shall be based on the LACMTA funding formula and the prior fiscal year's fare revenues for Line

109.

Real Time Information ("RTI") system operating expenses include without limitation, capital equipment, passenger/administration interface programs, cellular and internet hosting of RTI services and report management programs.

C. Redondo Beach is responsible for all marketing and promotion of the service. Notwithstanding the foregoing, Hermosa Beach may advertise at its sole expense, but any reference to BCT must be approved in writing by Redondo Beach prior to such reference. Only the BCT logo may be used to advertise or market the service.

D. On a quarterly basis, BCT shall meet with the City of Hermosa Beach, City of Manhattan Beach, and City of El Segundo to develop and discuss:

(1) Marketing and communications strategies directed towards increasing BCT Line 109 ridership. Hermosa Beach shall provide assistance for public outreach and information to target Hermosa Beach residents and non-resident community members.
(2) Overview of the previous quarter's Line 109 service including updates on ridership, new initiatives, schedule and route updates, etc.

E. BCT will present to the Redondo Beach City Council a strategic workplan to improve service to Line 109 within FY 2025-2026.

5. **REPORTING/INVOICING**

A. Redondo Beach shall report to Hermosa Beach on a quarterly basis, all of the following data for the Line 109 Service:

(1) Passengers Carried: Redondo Beach shall include Hermosa Beach as a recipient of any Daily A102 Report received from Metro that details "Device Transaction History" of Transit Access Pass card readers and shall promptly forward such reports to Hermosa Beach. Redondo Beach shall not be deemed in breach of this Agreement, nor shall it incur liability or penalties, for failure to provide such reports to Hermosa Beach where Metro fails to provide the Daily A102 Report to Redondo Beach or where the report is incomplete or contains missing or inaccurate details due to failures or issues with Metro's reporting system or associated hardware, software, communications, or third-party components. If Hermosa Beach conducts any analysis using the Daily A102 Reports, Hermosa Beach shall share such analyses with BCT when available; however, Hermosa Beach shall not be deemed in breach of this Agreement, nor incur liability or penalties, for failing to produce or deliver any such analysis.
(2) Revenue Hours Operated
(3) Revenue Miles Operated
(4) Total operating costs, including service operating expenses and

RTI capital and operating expenses

B. Redondo Beach shall submit said report to the Hermosa Beach City Manager or designee in writing within forty-five (45) days after the end of each reporting quarter.

C. Redondo Beach shall submit quarterly reports to the Hermosa Beach City Manager or designee.

D. Redondo Beach shall incorporate Line 109 data into its Federal Transit Administration's National Transit Data (NTD) annual report for the entire BCT fixed route transportation system. Redondo Beach shall provide to Hermosa Beach annual NTD random sampling data which provides the statistics to estimate the number of passengers boarding and alighting by stop in Hermosa Beach, and the total estimated Hermosa Beach passengers. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall include provisions pertaining to insurance.

E. Hermosa Beach retains the right to audit the BCT's records of Line 109 Service, and to periodically monitor the Service.

F. Redondo Beach shall schedule quarterly joint meetings with the partnering cities of El Segundo, Hermosa Beach, and Manhattan Beach. Redondo Beach will provide a quarterly update of Line 109 services, and discuss coordinated marketing and public outreach efforts and operating and financing issues that affect BCT services.

6. **INSPECTION OF RECORDS**

BCT records relevant to this Agreement shall be available for inspection by Hermosa Beach at all reasonable times for a period of at least three (3) years for each year or after the expiration date, whichever comes first.

7. **NON-DISCRIMINATION**

No person shall on the grounds of race, color, religion, national origin, ancestry, age, sex, gender, gender identity, gender expression, age, sexual orientation, marital status, genetic information, physical or mental disability, military or veteran status, or any other protected classification under applicable federal or state law, be excluded from participation in, or be subject to discrimination in the operation of the Line 109 Service.

8. **COORDINATION**

A. Redondo Beach shall coordinate its BCT services, to the extent practical, so that passengers transferring between transit operators will have minimal waiting times. This coordination will require transit agencies to communicate with each other as many weeks as possible in advance of any planned schedule change to the services that may affect passenger transfers.

B. The Hermosa Beach Project Manager for this project shall be the City Manager or his/her designee. The BCT coordinator for this project shall be the Community Services Director or his/her designee.

9. **WAIVER OF BREACH**

The waiver of each Party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

10. **NOTICES**

A. All notices, requests, demands, or other communications under this Agreement shall be in writing. Notice shall be given as follows:

(1) Personal Delivery. Personally delivered to the recipient. Notice is effective on delivery.

(2) First Class Mail. First class to the last address of the recipient known to the Party giving notice. Notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.

(3) Certified Mail. Certified mail with return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.

(4) Overnight Delivery. Delivered by an overnight delivery service, charges prepaid or charged to the sender's account. Notice is effective on delivery, if delivery is confirmed by the delivery service.

(5) Email. Sent by email to the last email address of the recipient known to the Party giving notice. Notice is effective upon receipt. Any notice given by email shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice shall be as follows:

Beach Cities Transit:

City of Redondo Beach
Transit Manager
Attention: Line 109
415 Diamond Street
Redondo Beach, CA 90277

Email: tyron.gunn@redondo.org

With a copy to:

City of Redondo Beach
The City Clerk's Office
415 Diamond Street
Redondo Beach, CA 90277-2836

Email: cityclerk@redondo.org

City of Hermosa Beach: City of Hermosa Beach
Community Development Director
1315 Valley Drive
Hermosa Beach, CA 90254-3885
Attention: Alison Becker

Email: abecker@hermosabeach.gov
CC: kbales@hermosabeach.gov

With a copy to: City Clerk
City of Hermosa Beach
1315 Valley Drive
Hermosa Beach, CA 90254-3885

Email: cityclerk@hermosabeach.gov

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the Party to be notified, shall be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either Party may change its address or email by giving the other Party written notice of the change.

11. **SEVERABILITY**
Should any part, term or provision of this Agreement or any document required herein to be executed be declared invalid, void or unenforceable, all remaining parts, terms and provisions hereof shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby.

12. **INTEGRATION; AMENDMENT**
This Agreement represents the entire understanding of Hermosa Beach and Redondo Beach as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to the subject matter hereof. This Agreement may not be modified or altered except by written amendment executed by both Parties.

13. **INTERPRETATION**
The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

14. **GOVERNING LAW; JURISDICTION**
This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from this Agreement will be in Los Angeles County, California.

15. **COMPLIANCE WITH STATUTES AND REGULATIONS**
BCT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

16. **NON-LIABILITY OF CITIES**
No officer or employee of either city shall be personally liable to the other, in the event of any default or breach thereunder.

17. **INDEMNIFICATION**
To the fullest extent permitted by law, each Party hereby agrees to defend, protect, indemnify and hold harmless the other Party, its elected and appointed officials, officers, employees, contractors, volunteers, agents, and members of boards and commissions from and against any and all loss, damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, and judgments, including reasonable attorney's fees, expert fees and costs of suit arising directly or indirectly from or in any manner related to or in connection with or caused by the performance or failure of the Party, its agents, contractors or employees to perform the services required of the Party under the terms of this Agreement.

18. **AUTHORITY**
Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to enter into and execute this Agreement on behalf of each respective Party.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH	CITY OF HERMOSA BEACH
By: _____ James A. Light, Mayor	By: _____ Rob Saemann, Mayor
APPROVED AS TO FORM:	APPROVED AS TO FORM:
_____ Joy A. Ford, City Attorney	_____ Jason Baltimore, Interim City Attorney
ATTEST:	ATTEST:
_____ Eleanor Manzano, City Clerk	_____ Myra Maravilla, City Clerk

Attachment A: Line 109 Map

Line 109 Redondo Beach Riviera Village – LAX City Bus Center

NORTHBOUND Redondo Beach Riviera Village to LAX City Bus Center

MONDAY THROUGH FRIDAY

7 Palos Verdes Bl & Via Valencia	8 Hermosa Ave & 10th St	9 Highland Ave & 14th St	10 Park Place at Douglas	11 Main St & Holly Ave	12 Aviation Bl & Imperial Hwy	13 LAX/Metro TC
–	–	–	–	–	–	–
–	–	–	–	–	–	–
6:00	6:17	6:28	6:42	6:53	7:03	7:08
6:30	6:47	6:58	7:12	7:23	7:33	7:38
7:08	7:25	7:36	7:50	8:01	8:11	8:16
7:38	7:55	8:06	8:20	8:35	8:45	8:50
8:36	8:53	9:04	9:18	9:33	9:43	9:48
9:06	9:23	9:34	9:48	10:03	10:13	10:18
9:54	10:11	10:22	10:36	10:51	11:01	11:06
10:28	10:45	10:56	11:10	11:25	11:35	11:40
11:26	11:43	11:54	**12:08**	**12:23**	**12:33**	**12:38**
11:56	**12:13**	**12:24**	**12:38**	**12:53**	**1:03**	**1:08**
12:49	**1:06**	**1:17**	**1:31**	**1:46**	**1:56**	**2:01**
1:23	**1:40**	**1:51**	**2:05**	**2:20**	**2:30**	**2:35**
2:21	**2:38**	**2:49**	**3:03**	**3:18**	**3:28**	**3:33**
2:51	**3:08**	**3:19**	**3:33**	**3:48**	**3:58**	**4:03**
3:39	**3:56**	**4:07**	**4:21**	**4:36**	**4:46**	**4:51**
4:13	**4:30**	**4:41**	**4:55**	**5:10**	**5:20**	**5:25**
5:11	**5:28**	**5:39**	**5:53**	**6:08**	**6:18**	**6:23**
5:41	**5:58**	**6:09**	**6:23**	**6:38**	**6:48**	**6:53**
6:29	**6:46**	**6:57**	**7:11**	**7:26**	**7:36**	**7:41**
7:03	**7:20**	**7:31**	**7:45**	**8:00**	**8:10**	**8:15**
7:56	**8:13**	**8:24**	**8:38**	**8:53**	**9:03**	**9:08**
AM	**PM**					

SOUTHBOUND LAX City Bus Center to Redondo Beach Riviera Village

13 LAX/Metro TC	12 Aviation Bl & Imperial Hwy	11 Main St & Holly Ave	10 Park Place at Douglas	9 Highland Ave & 14th St	8 Hermosa Ave & 11th St	7 Palos Verdes Bl & Via Valencia
5:45	5:50	6:04	6:22	6:34	6:43	6:58
6:15	6:20	6:34	6:52	7:04	7:13	7:28
7:13	7:18	7:32	7:50	8:02	8:11	8:26
7:43	7:48	8:02	8:20	8:32	8:41	8:56
8:31	8:36	8:50	9:08	9:20	9:29	9:44
9:05	9:10	9:24	9:42	9:54	10:03	10:18
10:03	10:08	10:22	10:40	10:52	11:01	11:16
10:33	10:38	10:52	11:10	11:22	11:31	11:46
11:26	11:31	11:45	**12:03**	**12:15**	**12:24**	**12:39**
12:00	**12:05**	**12:19**	**12:37**	**12:49**	**12:58**	**1:13**
12:58	**1:03**	**1:17**	**1:35**	**1:47**	**1:56**	**2:11**
1:28	**1:33**	**1:47**	**2:05**	**2:17**	**2:26**	**2:41**
2:16	**2:21**	**2:35**	**2:53**	**3:05**	**3:14**	**3:29**
2:50	**2:55**	**3:09**	**3:27**	**3:39**	**3:48**	**4:03**
3:48	**3:53**	**4:07**	**4:25**	**4:37**	**4:46**	**5:01**
4:18	**4:23**	**4:37**	**4:55**	**5:07**	**5:16**	**5:31**
5:06	**5:11**	**5:25**	**5:43**	**5:55**	**6:04**	**6:19**
5:40	**5:45**	**5:59**	**6:17**	**6:29**	**6:38**	**6:53**
6:38	**6:43**	**6:57**	**7:15**	**7:27**	**7:36**	**7:51**
7:08	**7:13**	**7:27**	**7:45**	**7:57**	**8:06**	**8:21**
7:56	**8:01**	**8:15**	**8:33**	**8:45**	**8:54**	**9:09**
AM	**PM**					

SATURDAY & SUNDAY

7	8	9	10	11	12	13
–	–	–	–	–	–	–
6:05	6:22	6:33	6:47	7:02	7:12	7:17
7:05	7:22	7:33	7:47	8:02	8:12	8:17
8:08	8:25	8:36	8:50	9:05	9:15	9:20
8:45	9:02	9:13	9:27	9:42	9:52	9:57
9:45	10:02	10:13	10:27	10:42	10:52	10:57
10:58	11:15	11:26	11:40	11:55	**12:05**	**12:10**
11:35	11:52	**12:03**	**12:17**	**12:32**	**12:42**	**12:47**
12:35	**12:52**	**1:03**	**1:17**	**1:32**	**1:42**	**1:47**
1:53	**2:10**	**2:21**	**2:35**	**2:50**	**3:00**	**3:05**
2:30	**2:47**	**2:58**	**3:12**	**3:27**	**3:37**	**3:42**
3:30	**3:47**	**3:58**	**4:12**	**4:27**	**4:37**	**4:42**
4:43	**5:00**	**5:11**	**5:25**	**5:40**	**5:50**	**5:55**
5:20	**5:37**	**5:48**	**6:02**	**6:17**	**6:27**	**6:32**
6:20	**6:37**	**6:48**	**7:02**	**7:17**	**7:27**	**7:32**
7:33	**7:50**	**8:01**	**8:15**	**8:30**	**8:40**	**8:45**
8:05	**8:22**	**8:33**	**8:47**	**9:02**	**9:12**	**9:17**
AM	**PM**					

13	12	11	10	9	8	7
6:45	6:50	7:04	7:22	7:34	7:43	7:58
7:22	7:27	7:41	7:59	8:11	8:20	8:35
8:22	8:27	8:41	8:59	9:11	9:20	9:35
9:35	9:40	9:54	10:12	10:24	10:33	10:48
10:12	10:17	10:31	10:49	11:01	11:10	11:25
11:12	11:17	11:31	11:49	**12:01**	**12:10**	**12:25**
12:30	**12:35**	**12:49**	**1:07**	**1:19**	**1:28**	**1:43**
1:07	**1:12**	**1:26**	**1:44**	**1:56**	**2:05**	**2:20**
2:07	**2:12**	**2:26**	**2:44**	**2:56**	**3:05**	**3:20**
3:20	**3:25**	**3:39**	**3:57**	**4:09**	**4:18**	**4:33**
3:57	**4:02**	**4:16**	**4:34**	**4:46**	**4:55**	**5:10**
4:57	**5:02**	**5:16**	**5:34**	**5:46**	**5:55**	**6:10**
6:10	**6:15**	**6:29**	**6:47**	**6:59**	**7:08**	**7:23**
6:47	**6:52**	**7:06**	**7:24**	**7:36**	**7:45**	**8:00**
7:47	**7:52**	**8:06**	**8:24**	**8:36**	**8:45**	**9:00**
8:50	**8:55**	**9:09**	**9:27**	**9:39**	**9:48**	**10:03**
AM	**PM**					

Attachment C
Beach Cities Transit Line 109
Route Service Mile Calculations by City

Route Miles	**NB Miles**	**SB Miles**	***Average Miles Per City***	***Allocation Formula %***
Redondo Beach & Los Angeles	5.3	6.9	***6.1***	***34.95%***
Hermosa Beach	2.2	1.6	***1.90***	***10.89%***
Manhattan Beach	3.4	2.2	***2.8***	***16.05%***
El Segundo	7.7	5.6	***6.65***	***38.11%***
Total Miles	18.6	16.3	***17.45***	***100.00%***

RESOLUTION NO. CC-2510-081

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2025-2026 BUDGET MODIFICATION TO ALLOCATE $17,183 FROM THE CITY OF HERMOSA BEACH FOR THE BEACH CITIES TRANSIT LINE 109 COST SHARING TO THE TRANSIT FUND

WHEREAS, it is the intention of the City Council of Redondo Beach ("City Council") to review the adopted budget from time to time;

WHEREAS, the City of Redondo Beach's adopted budget needs to be modified to allocate monies from outside sources to fund necessary expenditures;

WHEREAS, on July 1, 2006, the City of Redondo Beach ("City") and the City of Hermosa Beach entered into a Transit Service Operations Agreement to provide Beach Cities Transit ("BCT") Line 109 service through the City of Hermosa Beach;

WHEREAS, pursuant to this agreement, the City of Hermosa Beach will contribute $17,183 to the City to support BCT Line 109 operations throughout the City of Hermosa Beach;

WHEREAS, since the adoption of the Fiscal Year 2025-2026 Budget, additional, previously unbudgeted revenue has been identified, which must be allocated to the Transit Fund to support bus operations for the BCT Line 109; and

WHEREAS, the revenue to be received from the City of Hermosa Beach is not included in the adopted Fiscal Year 2025-2026 Budget, and a budget modification is necessary to allocate these funds to the Transit Fund.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The amounts allocated in the Fiscal Year 2025-2026 Budget need to be modified to recognize additional revenue received during the budget year; and, upon recommendation of the City Manager, the budget as adopted for Fiscal Year 2025-2026 is modified as follows:

Seventeen thousand, one hundred eighty three dollars ($17,183) shall be allocated to the Transit Fund.

SECTION 2. Pursuant to Section 11(f) of the City Charter, the City Clerk is hereby directed to correct the budget records of said City for Fiscal Year 2025-2026 in accordance with the above modification.

SECTION 3. This Resolution shall take effect immediately upon its adoption by the City Council.

SECTION 4. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 21st day of October, 2025.

James A. Light, Mayor

APPROVED AS TO FORM:

Joy A. Ford , City Attorney

ATTEST:

Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2510-081 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 21st day of October, 2025, and thereafter signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Eleanor Manzano, CMC
City Clerk

Administrative Report

H.12., **File #** 25-1337 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

TITLE

APPROVE AND EXECUTE THE ESCROW INSTRUCTIONS LETTER AND THE AGREEMENT CONTAINING COVENANTS, RESTRICTIONS, AND OPTION TO PURCHASE FOR THE SALE OF THE AFFORDABLE HOUSING UNIT AT 2001 ARTESIA BOULEVARD, UNIT #301, REDONDO BEACH, CALIFORNIA 90278

EXECUTIVE SUMMARY

On February 17, 2004, the City Council adopted Senior Housing Ordinance No. 2927-04, amending the zoning ordinance to establish standards for senior citizen housing. On March 2, 2004, the City Council approved the Montecito Senior Housing development, located at 2001 Artesia Boulevard, consisting of 60 residential condominium units. In compliance with Ordinance No. 2927-04, a condition of project approval required the developer to enter into an Affordable Housing Agreement with the City to provide and restrict by deed five (5) units as affordable for low- and moderate-income households for a minimum of fifty-five (55) years from the date of construction, in accordance with applicable state and local laws.

The current owner of moderate-income unit (#301) within the Montecito development is planning to sell the property. Pursuant to State and local requirements, this income-restricted unit must be sold to a qualified moderate-income household. To preserve affordability and ensure continued compliance with the City's inclusionary housing requirements, City Council approval is required for execution of the Escrow Instructions Letter, the Agreement Containing Covenants, Restrictions, and Option to Purchase, and related documents necessary for the sale and ongoing regulation of the affordable housing unit. The same materials have been presented to the City's Housing Authority for concurrent approval during its special meeting to be held on October 21, 2025. As part of the escrow process staff, working with the City's affordable housing consultant, would verify that the final transaction complies with all applicable restrictions and regulations.

BACKGROUND

The City Council adopted Ordinance No. 2927-04 on February 17, 2004, amending the zoning ordinance to establish standards for housing for senior citizens. The Ordinance includes an inclusionary housing requirement that ten percent (10%) of the senior housing units be affordable to low- and moderate-income households in proportion to the housing needs identified in the City's Housing Element. These units must remain affordable for a period of no less than fifty-five (55) years from the effective date of the Affordable Housing Agreement, which is February 20, 2008.

Pursuant to State and local requirements, the income-restricted unit at 2001 Artesia Boulevard, Unit #301, may be sold only to qualified moderate-income households. Moderate-income levels are based on a Countywide formula, with limits determined by household size in relation to the County's median income.

The current owner of Unit #301 has requested approval to sell the property and has identified a qualified moderate-income buyer. The attached Agreement is a recorded instrument ensuring the long-term maintenance of affordability restrictions. As part of the transaction, Housing staff would verify the buyer's eligibility and income qualification in accordance with State and local guidelines. The maximum allowable sales price for this unit is $304,400, consistent with affordability standards under State law.

The Affordable Housing Agreement and associated documents for this transaction include:

1. Agreement Containing Covenants, Restrictions, and Option to Purchase - ensuring long-term affordability, providing notice of affordability restrictions to future purchasers and lenders, and reserving the City's purchase rights.
2. Performance Deed of Trust - securing the developer's and purchaser's obligations under the Agreement to ensure continued compliance for the full term of affordability.
3. Escrow Instructions Letter - authorizing the execution and recordation of the necessary affordability documents at the close of escrow.

Approval of these documents would authorize the Mayor to execute the agreements on behalf of the City and to take any actions necessary to complete the sale in compliance with the City's affordable housing requirements.

COORDINATION

The City Attorney's Office has approved the Agreement and all necessary and related documents as to form.

FISCAL IMPACT

The Affordable Housing Program activities are processed through the Housing Authority Division of the Community Services Department. The Housing Authority will receive a $50.00 fee for this transaction. Funding for affordable housing administration is available in the Community Services Department's annual operating budget.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agreement Containing Covenants, Restrictions and Option to Purchase (Moderate Income)
- Performance Deed of Trust (Option to Cure and Purchase Agreement)
- Escrow Instructions Letter
- Request for Notice - City Attorney's Office
- Request for Notice - City of Redondo Beach

More To Sea redondo BEACH

Community Services Department
Housing Authority

1922 Artesia Boulevard
Redondo Beach, California 90278
www.redondo.org

tel: 310 318-0635
fax: 310 798-8463

October 21, 2025

Lisa McMullen
Escrow Officer / Manager
Chartwell Escrow
21250 Hawthorne Boulevard, Suite 410
Torrance, California 90503

Re: Escrow No. CWT-LM-871

Dear Ms. McMullen:

These instructions are submitted by the City of Redondo Beach (the "**City**") and the Housing Authority of the City of Redondo Beach (the **"Authority"**) in connection with the following transaction.

Paula Marie Broussard, Trustee of the Alma Darlene Harshman Trust dated January 8, 2020 (the "**Seller**") and Debra Merrill (the "**Buyer**") have entered into that certain California Residential Purchase Agreement and Joint Escrow Instructions dated August 18, 2025 relating to the sale of the residential unit located at 2001 Artesia Blvd., #301, Redondo Beach, California 90278. The "**Unit**" is more particularly described in the legal description attached to this letter as Exhibit A.

The Unit is subject to the covenants, conditions, restrictions, limitations and provisions contained in the following agreements:

1. The Affordable Housing Agreement Imposing Restrictions on Real Property by and between the City and Watt Communities at the Montecito, LLC, a California limited liability company dated October 17, 2006, and recorded May 5, 2008 as Instrument No. 2008-0785404 of the official records of Los Angeles County, California (the "Affordable Housing Agreement"); and

2. Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito - Tract No. 60361, dated May 16, 2007 and recorded May 5, 2008 as Instrument No. 2008-0785401 in the official records of Los Angeles County, California.

3. Related Amendments including but not limited to the Sixth Amendment to the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito – Tract No. 60361 dated February 6, 2012 and recorded February 21, 2012 as instrument No. 2012-0274129, in the office records of Los Angeles County, California ("the Amendments").

4. Addendum to Grant Deed Covenants, Restrictions and Option to Purchase (Moderate Income) between the City of Redondo Beach, the Redevelopment Agency of the City of Redondo Beach, and Alma D. Harshman, dated February 16, 2010 attached as Exhibit A to Grant Deed (Condominium) by Watt Communities at the Montecito, LLC (Grantor) and Alma D. Harshman (Grantee), recorded on March 8, 2010 as Instrument No. 2010-0310688, in the official records of Los Angeles County, California (the "Addendum").

The Affordable Housing Agreement, Amendments and Addendum place certain income and sale price limits on the Unit to assure that the Unit remains affordable to moderate income senior households. Performance of these obligations is secured by that certain Performance Deed of Trust (Option to Cure and Purchase Agreement) dated February 16, 2010 and recorded in the official records of Los Angeles County on March 8, 2010 as Instrument No. 2010-0310690. The Seller is the trustor; the City is the beneficiary; and Chicago Title Company is the trustee of the Performance Deed of Trust.

The Buyer, the City, and the Authority will execute an Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income] (the "**2025 Covenants Agreement**") for recordation against the Unit. The Covenants Agreement also requires the Buyer to execute a Performance Deed of Trust (Option to Cure and Purchase Agreement) in favor of the City and the Authority, for recordation against the Unit (the "**2025 Performance Deed of Trust**").

The purpose of this letter is to provide the City's and Authority's instructions relating to the above referenced transaction. Your recordation of the "**Recording Documents**" shall be deemed to be your acceptance of these escrow instructions. However, we ask that you return to the undersigned a copy of this letter signed by you, indicating your acceptance of these instructions.

The City and Authority hereby instruct the Escrow Agent as follows. The transaction will close when all conditions precedent to the transaction have been satisfied.

I. DOCUMENTS

Enclosed herewith are the following documents that will need to be returned to the Authority prior to execution by the City and the Authority.

1. One original of the 2025 Covenants Agreement that has been signed by the Buyer.

2. One original of the 2025 Performance Deed of Trust that has been signed by the Buyer.

3. One original of this escrow instructions letter that has been signed by Lisa McMullen, Escrow Officer/Manager.

The signed documents are to be returned to the following address:

Imelda Delgado, Housing Manager
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

II. CLOSING PROCEDURES

You are instructed to close this transaction when and only when all of the following occurs:

1. The City and the Authority have deposited into escrow one original 2025 Covenants Agreement executed in recordable form by the Buyer, the City and the Authority.

2. The Buyer has deposited into escrow one original 2025 Performance Deed of Trust, executed in recordable form by the Buyer.

3. The City and the Authority have deposited into escrow one original Request for Notice Under Section 2924b Civil Code - City, and one Request for Notice Under Section 2924b Civil Code - Authority in recordable form (the "**Request for Notice**"):

    a. The Request for Notice documents will be delivered to escrow without signatures.

    b. After the first trust deed mortgage loan has been recorded, escrow will fill in the instrument number and recordation date for the first trust deed mortgage loan in both of the Requests for Notice.

    c. The City will pick up the originals from escrow after being notified that the blanks have been filled in.

4. All of the Buyer's and Seller's conditions precedent to closing this transaction have either been satisfied or waived by the party to be benefited and you have received confirmation from the Buyer and the Seller that you are to proceed with this transaction.

5. You have committed to complying with all the instructions contained in these escrow instructions.

In closing escrow, you will adhere to the procedures set forth in the instructions below. All requirements with respect to closing shall be considered as having taken place simultaneously and no delivery shall be considered as having been made until all deliveries and closing transactions have been accomplished. Do not record or deliver any of the documents described above unless all conditions to closing are satisfied. When all conditions precedent to the close of escrow have been satisfied, you are authorized to:

1. With respect to any documents that have not been dated (whether or not such documents are to be recorded), fill in the date of recordation. With respect to any other blanks in the documents, fill in the appropriate information (for example, recording information or dates of other documents). If you have any questions regarding how to fill in any blanks, please contact the undersigned immediately.

2. With respect to any documents that do not have a legal description appended, insert the legal description attached to this letter as Exhibit A.

3. Record the following documents (the "Recording Documents") in the Land Records of Los Angeles County, California, in the following order and in no other order:

   a. The Substitution of Trustee and Full Reconveyance

   b. The grant deed conveying fee title to the Unit from the Seller to the Buyer.

   c. The 2025 Covenants Agreement.

   d. The 2025 Performance Deed of Trust.

4. Promptly after recordation, conformed and certified copies of the Recording Documents (showing all recording information) are to be delivered to:

Imelda Delgado, Housing Manager
Housing Authority of the City of Redondo Beach
1922 Artesia Boulevard
Redondo Beach, California 90278

5. These instructions may be modified only by written or telephonic instructions from the undersigned. If any of the instructions in this letter cannot be followed for any reason, please call the undersigned immediately.

6. Please bill the Seller for any charges you incur associated with the foregoing documents. Any documents signed by the City and/or the Authority are entitled to free recording pursuant to Government Code §27383:

   a. If any of such documents do not contain a legend to that effect, please insert the legend in the upper left corner of such documents.

   b. Neither the City nor the Authority shall incur any expense in connection with the fulfillment of these escrow instructions.

   c. All costs incurred by you with respect to this escrow shall be the sole obligation of the Seller.

Very truly yours,

City of Redondo Beach, a chartered municipal corporation

Housing Authority of the City of Redondo Beach, a public body, corporate and politic

By: _____
James A. Light
Mayor and Chairman

The undersigned acknowledges receipt of the within escrow instructions and agrees to proceed in accordance therewith.

By: _____
Lisa McMullen
Escrow Officer / Manager
Chartwell Escrow

EXHIBIT "A"
LEGAL DESCRIPTION

Real property in the City of Redondo Beach, County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

A) AN UNDIVIDED 874/47,349 INTEREST IN AND TO LOT 1 OF TRACT NO. 60361, IN THE CITY OF REDONDO BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1329, PAGE(S) 43 TO 45, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM UNITS 201R TO 216R, INCLUSIVE, 301R TO 316R, INCLUSIVE, AND 401PH AND 416PH, INCLUSIVE, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MAY 5, 2008 AS INSTRUMENT NO. 2008-0785400, OFFICIAL RECORDS.

B) UNIT 301, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING SPACE PURPOSES OVER THOSE AREAS NUMBERED "34PS" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 3

AN EXCLUSIVE EASEMENT FOR BALCONY OR PATIO PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "B" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 4

AN EXCLUSIVE EASEMENT FOR STORAGE CLOSET PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER

"S" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Assessor's Parcel Number: 4155-030-078

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford, Esq.

(No Fee per Government Code § 27383)

AGREEMENT CONTAINING
COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE
[MODERATE INCOME]

Owner: Debra Merrill
Residence Address: 2001 Artesia Boulevard, #301, Redondo Beach, California 90278

This agreement, entitled Agreement Containing Covenants, Restrictions and Option to Purchase (the "Agreement") is entered into as of this 21st day of October, 2025 by and among the City of Redondo Beach, a chartered municipal corporation (the "City"), the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") and Debra Merrill (the "Owner").

RECITALS

A. The City and Authority have determined that it is desirable to stimulate the purchase of homes by Moderate Income Senior Households, and that such households should not be forced to pay housing costs in excess of an amount that is affordable.

B. Concurrently with the execution of this Agreement, Owner is purchasing the Residence for a purchase price that is affordable to Owner as the result of the following agreements:

1. Affordable Housing Agreement Imposing Restrictions on Real Property by and between the City and Watt Communities at the Montecito, LLC, a California limited liability company dated October 17, 2006, and recorded May 5, 2008 as Instrument No. 2008-0785404 of the official records of Los Angeles County, California;

2. The Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito – Tract No. 60361 dated May 16, 2007, and recorded May 5, 2008 as Instrument No. 2008-785401 in the official records of Los Angeles County, California; and

3. Related Amendments including but not limited to the Sixth Amendment to the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for The Montecito – Tract No. 60361 dated February 6, 2012 and recorded February 21, 2012 as instrument No. 2012-0274129, in the official records of Los Angeles County, California.

4. Addendum to Grant Deed Covenants, Restrictions and Option to Purchase (Moderate Income) between the City, the Redevelopment Agency of the City, and Alma D. Harshman, dated February 16, 2010 attached as Exhibit A to Grant Deed (Condominium) by Watt Communities at the Montecito, LLC (Grantor) and Alma D. Harshman (Grantee), recorded on March 8, 2010 as Instrument No. 2010-0310688, in the official records of Los Angeles County, California.

C. In order to preserve the affordability of the Residence for Moderate Income Senior Households, and in return for and in consideration of the opportunity for the seller to sell and the Owner to purchase the Residence under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Section 1 below, has agreed to execute this Agreement.

D. The purpose of this Agreement is to place certain use restrictions on the Residence, establish resale controls with respect to the Residence and reserve to the City and Authority an option to purchase or designate an Eligible Purchaser to purchase the Residence from Owner in order to provide for the continued availability of such Residence to Moderate Income Senior Households.

NOW, THEREFORE, in consideration of the benefits received by the Owner, the City and the Authority, the parties agree as follows:

5. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the corresponding meanings which follow, or are specifically defined in the sections indicated below.

a. "Deficiencies" – Section 5.

b. "Designee" – Section 6.

c. "Eligible Purchaser" shall mean a prospective purchaser of the Residence who meets the then-current requirements established by the City or Authority.

d. "Excess Proceeds" – Section 9.

e. "Moderate Income Affordable Purchase Price" shall mean a purchase price resulting in a monthly housing cost to the buyer which does not exceed to one-twelfth (1/12) of the product of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income for Los Angeles County, adjusted for household size appropriate to the unit, as published annually by the California Department of Housing and Community Development ("HCD"), and measured at the time the purchaser and the seller enter into a purchase and sale agreement for the Residence. For purposes of determining affordable sale price, the term "household size appropriate to the unit" shall mean the number of bedrooms in the unit plus one.

f. "Moderate Income Senior Citizen Household" shall mean a Senior Citizen Household whose income level does not exceed a maximum of one hundred twenty percent (120%) of the area median income for Los Angeles County, as published annually by HCD, adjusted for the purchaser's actual household size, and determined in accordance with California Health & Safety Code Section 50093 published criteria from time to time in effect.

g. "Owner" shall mean the person or persons listed in the first sentence of this Agreement, as well as any and all assignees, transferees or successors-in-interest to the Residence.

h. "Mortgage Financing" – shall mean a purchase money loan of funds to be used by the Eligible Purchaser for the acquisition of the Residence. The maximum allowable mortgage is set at 95% of the Moderate Income Affordable Purchase Price. The Primary Mortgage must be fully amortizing loan with a fixed interest rate. Negatively amortizing loans and variable interest rate loans are not permitted.

i. "Residence" – Section 2.

j. "Restricted Period" shall mean fifty-five (55) years commencing from the date the first Certificate of Occupancy for the Residence is issued.

k. "Sales Price" shall mean the total compensation payable by a purchaser for the Residence.

l. "Senior Citizen Household" shall mean a household where at least one person in residence is fifty-five (55) years of age older and such person intends to reside in the Residence as his/her/their primary residence on a permanent basis. Any other person residing in the Residence shall be a "qualified permanent resident" or a "permitted health care resident" as provided in the Unruh Civil Rights Act, California Civil Code Section 51, et seq., or the Federal Fair Housing Act, 42 USC Section 3607, and all other applicable federal, state and local laws and regulations governing the use and occupancy of the development.

m. "Transfer" shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Residence, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Owner retains title. Any Transfer without satisfaction of the provisions of this Agreement is prohibited. Transfers by gift, devise, or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage, or by devise or inheritance to children, shall be a "Excluded Transfer" for purposes of this Agreement; provided, however, that transferees of any Excluded Transfer shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement, including, but not limited to, promptly providing the City and Authority with the "Notice of Excluded Transfer" upon any such Excluded Transfer.

6. DESCRIPTION OF PROPERTY

This Agreement concerns the real property commonly known as 2001 Artesia Boulevard, #301, Redondo Beach, California, 90278, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the "Residence"). The Residence shall also include any and all improvements constructed on the real property whether now or in the future.

7. OWNER CERTIFICATION

Owner certifies the following:

a. The financial and other information provided in order to qualify to purchase the Residence is true and correct; and

b. Owner shall occupy the Residence as Owner's principal place of residence.

8. OWNER-OCCUPANCY; LEASING OF RESIDENCE

a. For the term of this Agreement, Owner shall occupy the Residence as his/her/their primary residence, and the Residence shall be used as the primary residence of Owner and Owner's household and for no other purpose.

b. Except as provided herein, for the term of this Agreement, the Owner shall not lease the Residence. Notwithstanding the foregoing, the Owner may lease the Residence to Moderate Income Senior Citizen Households at a monthly rental rate not to exceed the affordable rent based on the calculation methodology set forth in California Health and Safety Code Section 50053. The Owner shall provide copies of all rental/lease agreements to the City and Authority. Any lease in violation of this restriction shall be void and shall constitute a default by the Owner under this Agreement.

c. The Authority shall have the right to monitor compliance with this Section 4 by requesting that the Owner provide the Authority, not more frequently than annually, the following:

i. A written certification under penalty of perjury that the Residence is occupied by the Owner as his/her/their primary residence, accompanied by supporting documentation reasonably satisfactory to the Authority; or

ii. If the Residence is not owner-occupied, documentation evidencing the fulfillment of the Section 4.b. requirements, including, without limitation, all of the following: a copy of the lease then in effect and the written consent signed by the Authority Executive Director or designee; a written certification under penalty of perjury stating when the Residence was last owner-occupied, accompanied by supporting documentation reasonably satisfactory to the Authority, and stating the amount of monthly rent collected under the lease; and documentation reasonably satisfactory to the Authority that the Owner is making a reasonable effort to sell the Residence to an Eligible Purchaser.

d. In the event of a breach or threatened breach of this Section 4, in addition to any other rights and remedies available to the City and Authority, whether at law or in equity, the City and Authority shall be entitled to institute legal action to enforce performance of this Section 4, to enjoin any actions which are in breach of this Section 4, and to seek to recover any excess rent that may have been paid to Owner.

e. These owner-occupancy restrictions may be modified or terminated only upon the written approval of the City and Authority. Any modification or termination must be in writing and recorded in the Official Records of the Office of the County Recorder of Los Angeles County.

f. Owner shall be considered as occupying the Residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

9. MAINTENANCE OF PROPERTY

Owner agrees it shall maintain the interior and exterior of the Residence and any landscaping on the Residence in good condition and repair and in a manner consistent with the community standards which will uphold the value of the Residence, and in accordance with all applicable City codes. Failure to maintain the Residence in accordance with this Section 5, including, but not limited to, any violations of applicable building, plumbing, electric, fire, housing or other applicable City of Redondo Beach Building Codes, shall be a default by the Owner under this Agreement. In the event the City or Authority, in its sole discretion, determines that the Owner has failed to maintain the Residence, the City or Authority shall notify Owner with regard to any noted code violations and maintenance

deficiencies (collectively, the "Deficiencies"), and Owner shall cure the Deficiencies in a reasonable manner, acceptable to the City or Authority, within sixty (60) days following the date of such notice. Should Owner fail to cure all the Deficiencies prior to the time set forth herein, the City, Authority, or designee, shall have the right, but not the obligation, to enter the Residence, correct any Deficiency, and hold the Owner responsible for the cost thereof. Any cost incurred by the City or Authority to cure any such Deficiency, until paid, shall constitute a lien on the Residence pursuant to Civil Code Section 2881.

10. NOTICE OF INTENDED TRANSFER

In the event Owner intends to Transfer the Residence, Owner shall promptly notify the Authority and City in writing of such intent ("Owner's Notice"). The written notice shall be given in accordance with Section 21 of this Agreement at least sixty (60) days prior to the actual date of any Transfer; provided, however, that in the event of an Excluded Transfer, the written notice shall occur within ninety (90) days after the date of such Excluded Transfer ("Notice of Excluded Transfer").

Following receipt of the Owner's Notice, the City or Authority shall notify Owner of the Resale Price that may be paid for the Residence and may exercise its Option, as defined below, to purchase the Residence or designate an Eligible Purchaser ("Designee") to purchase the Residence, as provided in Section 8, below.

11. DETERMINATION OF RESALE PRICE

The maximum Sales Price that the Owner may receive for any type of Transfer of the Residence ("Resale Price") shall be the Moderate Income Affordable Purchase Price at the time of such Transfer.

12. OPTION

As a material part of the consideration for this Agreement, Owner covenants and agrees for itself, its successors and its assigns and every successor in interest to the Residence, that for the Restricted Period, Owner hereby grants the City an option to purchase the Residence or designate an Eligible Purchaser to purchase the Residence from Owner (the "Option") on the terms and conditions set forth in this Section 8 and in the manner set forth herein.

a. Events Precipitating City's Option to Purchase. The Owner agrees the City's Option may be exercised upon the occurrence of any of the following:

   i. An uncured default by Owner under this Agreement, subject to the notice and cure provisions of Section 10;

   ii. An uncured default under any promissory note, deed of trust or any other lien, including, without limitation, a judgment lien, recorded against, secured by, or encumbering the Residence; or

iii. Owner's Notice of Intent to Transfer the Residence.

b. Time and Manner of Exercising Option. The Option may be exercised by the City delivering to Owner written notice of such exercise. Upon the City's knowledge of the occurrence of any event listed in subsection a. above, the City shall have sixty (60) days to notify Owner of its decision to exercise its Option. The notification to Owner regarding the Option exercise shall be pursuant to Section 21 of this Agreement. The City shall have the right, in its sole discretion, to assign the Option to the Authority upon written notice to the Owner that the Option has been assigned to the Authority. In the event the Option is assigned to the Authority, the Authority shall be entitled to the rights of the City in relation to the Option as set forth herein and shall be obligated under the terms and the covenants of this Section 8.

c. Payment for Option. Upon the occurrence of an event listed in subsection a. above, and the exercise by the City of its Option, the City shall pay (or in the event City designates an Eligible Purchaser, cause to be paid by such Designee), the Resale Price to Owner at the close of escrow, pursuant to subsection d, below.

d. Escrow. Within thirty (30) days following the exercise of the Option, the parties agree that the City shall open, or cause to be opened, an escrow with a title insurance company or such other escrow agent reasonably acceptable to the City (the "Escrow Agent") and the parties agree to execute escrow instructions with Escrow Agent as may be required by Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. The parties agree to the following escrow terms and conditions:

i. The escrow shall be for a period of ninety (90) days or sooner if mutually agreed by the parties;

ii. The City agrees that it will pay, or cause to be paid by the Designee, the Resale Price upon the close of escrow or as otherwise mutually agreed to by the parties. Notwithstanding the foregoing, should Owner fail to cure all Deficiencies, if any, in accordance with Section 5 prior to the close of escrow, the Owner hereby agrees that the Escrow Agent shall withhold that portion of the Resale Price necessary to pay for curing the Deficiencies, based upon written estimates obtained and submitted to the Escrow Agent by the City. The City and/or Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City and/or Designee, the Escrow Agent shall disburse such funds to the City and/or Designee to pay for said work. Any remaining funds shall be disbursed by the Escrow Agent to Owner;

iii. The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City in the amount of the Resale Price, insuring title to the Residence in the City's (or Designee's, as the case may be) name, subject only to those matters approved by the City or Designee in writing. In the event the City (or Designee, as the case may be) requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A policy or the endorsements shall be paid by the City (or Designee, as the case may be);

iv. In the event the City exercises its Option pursuant to Section 8.a.iii., the Owner and City agree that all costs and fees charged in connection with the closing and escrow shall be borne one-half (1/2) by the City (or Designee, as the case may be) and one-half (1/2) by the Owner. In the event the City exercises its Option pursuant to Section 8.a.i. or Section 8.a.ii., the Owner agrees to pay all costs and fees charged in connection with the closing and escrow;

v. The Owner agrees that it shall deposit in escrow for delivery to the City (or Designee, as the case may be) a grant deed to the City or Designee (in such form as may be reasonably acceptable to the City or Designee in his/her/their sole discretion);

vi. Taxes and assessments shall be prorated at the close of escrow with Owner paying all such taxes and assessments due and payable prior to the close of escrow and City (or Designee, as the case may be) paying all such taxes and assessments due and payable following the close of escrow;

vii. Owner agrees that title shall be conveyed by Owner at the close of escrow to the City (or Designee, as the case may be) free and clear of all mortgages, deeds of trust, liens and encumbrances. Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of Owner, at Owner's sole cost and expense; and

viii. Any other terms or conditions mutually agreed to by the parties.

e. Priority of Option. The Option granted pursuant to this Agreement shall be senior in priority to any lien or encumbrance.

13. RESTRICTED TRANSFER BY OWNER

a. In the event the City does not exercise its Option pursuant to Section 8, above, Owner may Transfer the Residence to an Eligible Purchaser for not more than the Resale Price.

b. In the event the City does not exercise its Option pursuant to Section 8, above, and Owner experiences an extreme hardship, Owner may submit written request to the City or Authority to waive the requirement that the purchaser of the Residence be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price. Within one hundred and twenty (120) days of such written request, the City may, in its sole discretion, approve the Transfer of the Residence to a non-Eligible Purchaser and/or the Transfer of the Residence in excess of the Resale Price. Upon the issuance by the City or Authority of a written waiver of the requirement that the purchaser be an Eligible Purchaser and/or the requirement that the Sales Price not exceed the Resale Price, subject to the provisions of this Section 9.b. and 9.c., Owner may Transfer the Residence to the non-Eligible Purchaser and/or may Transfer the Residence for an amount in excess of the Resale Price, as applicable. Any such transferee shall execute and record a covenant against the Residence, running to the benefit of the City and Authority, requiring that the transferee will occupy the Residence, subject to limited leasing rights, as provided in Section 4, of this Agreement.

c. In the event the City or Authority waives the requirement that the Sales Price not exceed the Resale Price, the City shall be entitled to receive, and Owner shall pay to the City, an amount equal to 50% of the "Excess Proceeds". "Excess Proceeds" shall mean the Sales Price minus the sum of the following: repayment in full of any mortgage encumbering the Residence, and reimbursement to the Owner in the amount of the sum of the Owner's original down payment, the cost of any Capital Improvements made by the Owner and any payments made by the Owner to reduce to the principal balance of the mortgage prior to the sale.

14. REFINANCING

Owner shall be permitted to refinance the Primary Mortgage provided that the replacement mortgage is a fully amortizing, fixed interest rate loan that does not exceed the sum of the then current principal balance of the existing Primary Mortgage and reasonable and customary closing costs.

15. DEFAULTS AND REMEDIES

Upon a violation of any of the provisions of this Agreement by Owner, the City or Authority shall give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of City or Authority within thirty (30) days

after the date the notice is mailed, or within such further time as City or Authority determines is necessary to correct the violation, City or Authority may declare a default under this Agreement. Upon the declaration of a default or if Owner makes any misrepresentation in connection with receiving any benefits under this Agreement, City or Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Agreement, for an injunction prohibiting a proposed Transfer in violation of this Agreement, for a declaration that a Transfer in violation of the provisions of this Agreement is void or any such relief at law or in equity as may be appropriate. Owner, and/or Owner's purchaser or transferee in those circumstances where a Transfer has occurred in violation of this Agreement, shall hold the City, Authority and their employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City, the Authority or their employees or other agents take in enforcing the provisions of this Agreement.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other party. Rights and remedies hereunder shall be in addition to and shall in no way limit any other rights and remedies provided by law or in equity. No waiver by the City or Authority of any default or breach by the Owner hereunder shall be implied from any omission by the City or Authority to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such wavier shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the City or Authority to or of any act by the Owner requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done pursuant to notice of default, or prejudice the City or Authority in the exercise of any right, power, or remedy hereunder.

16. NOTICE OF DEFAULT AND FORECLOSURE

Owner agrees the City and Authority shall have the right to record against title to the Residence a request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence in the Office of the Recorder of Los Angeles County in substantially the form attached hereto as Exhibit B ("Notice of Sale"). The Owner shall provide to the City and Authority a written copy of any notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering the Residence immediately upon receipt by the Owner. The City or Authority may declare a default under this Agreement upon receipt of any notice given to the City and Authority pursuant to Civil Code Section 2924b or pursuant to this Section, and may exercise its remedies as provided in Section 8 and Section 10. In the event of default or foreclosure of such deed of trust or mortgage, the City or Authority shall have the same right as the Owner to cure defaults and redeem the Residence prior to foreclosure sale.

Nothing contained herein shall be construed as creating any obligation of the City or Authority to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

17. NON-LIABILITY OF THE CITY AND AUTHORITY

In no event shall the City or Authority become in any way liable or obligated to Owner or to any successor-in-interest of Owner by reason of the Option, nor shall the City or Authority be in any way obligated or liable to Owner or any successor- in-interest of Owner for any failure to exercise such Option.

18. BINDING ON SUCCESSOR AND ASSIGNS

Notwithstanding any other provision of law, this Agreement shall run with the land and shall be enforceable against the Owner, his/her/their heirs, legal representatives, executors, successors-in-interest, assigns and transferees by the City, the Authority and their successors. Without limiting the generality of the foregoing, any party, and its successors and assigns, receiving title to the Residence through a trustee's sale, a judicial foreclosure sale, or deed in lieu of foreclosure of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall be bound by all covenants, conditions, restrictions, limitations and provisions contained in this Agreement.

19. SUPERIORITY OF AGREEMENT

Owner covenants that the Owner has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties.

20. OBLIGATION TO REFRAIN FROM DISCRIMINATION

Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Residence or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Residence nor shall Owner itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Residence. This covenant shall run in perpetuity.

21. FORM OF NONDISCRIMINATION AND NONSEGREGATION CLAUSES

All deeds, leases or contracts relating or pertaining to the Residence shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein leased."

c. In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

22. TERMINATION OF COVENANTS, RESTRICTIONS AND OPTION TO PURCHASE

The covenants, conditions, restrictions, limitations and provisions of this Agreement shall remain in effect with respect to the Residence for the longest feasible time, as determined by the City or Authority, but not less than the Restricted Period, except for the covenants, conditions, restrictions, limitations and provisions contained in Section 15 and 16 which shall run in perpetuity.

23. DEED OF TRUST

Each and every condition, obligation, covenant and agreement contained in this Agreement shall at all times throughout the term be secured by a deed of trust in favor of the City and the Authority ("Deed of Trust"), substantially in the form attached hereto as Exhibit C. Owner agrees to execute and deliver the Deed of Trust (in recordable form) and it shall be recorded against the Residence. The Deed of Trust will be subordinate to any liens securing financing for Owner's purchase of the Residence, but this Agreement shall be senior to any such liens and shall not be extinguished by foreclosure, a deed in lieu of foreclosure or power of sale, or sale.

24. ENFORCEMENT

The City, the Authority, and their successors and assigns are deemed to be the beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City and the Authority shall have the right if any covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it is entitled. No remedy herein conferred upon or reserved by the City and Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City or Authority may deem expedient. In order to entitle the City and Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given. The City and Authority may, in their sole discretion, designate, appoint or contract with any other public agency, for-profit or non-profit organization as a beneficiary of this Agreement.

25. INVALID PROVISIONS

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

26. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

27. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested, as follows:

To the Owner:

Debra Merrill
2001 Artesia Boulevard, #301
Redondo Beach, California 90278

To the City:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford

To the Authority

The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Director of Community Services
Attention: Housing Manager

or such other address that the City, the Authority of Owner may subsequently request in writing.

28. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted to encourage to the extent possible that the Resales Price and any mortgage payments of the Residence remain affordable to Moderate Income Senior Citizen Households.

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By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this deed, and grants to the City and Authority such powers and rights that are set forth in this Agreement.

"OWNER"

Date: OCT. 09, 2025 By: Debra Merrill

Debra Merrill

[remainder of page left intentionally blank]

[signatures continue on the following page]

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this 9 day of October, 2025 before me, Jasmine N. Venegas, Notary Public, personally appeared, Debra Merrill, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

JASMINE N. VENEGAS
COMM.# 2449094
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My Comm. Expires June 4, 2027

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

Accepted and agreed to by the City this 21st day of October, 2025.

CITY OF REDONDO BEACH, a chartered municipal corporation

Date: _____ By: _____
James A. Light
Mayor

APPROVED AS TO FORM:
Joy A. Ford
City Attorney

By: _____
Joy A. Ford

ATTEST:

By: _____
Eleanor Manzano
City Clerk

[Signatures continue on following page]

Accepted and agreed to by the Authority this 21st day of October, 2025.

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a public body, corporate and politic

Date: _____ By: _____
James A. Light
Chairman

APPROVED AS TO FORM:
Joy A. Ford
General Counsel for Authority

By: _____
Joy A. Ford

ATTEST:

By: _____
Eleanor Manzano
Secretary

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

Real property in the City of Redondo Beach, County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

A) AN UNDIVIDED 874/47,349 INTEREST IN AND TO LOT 1 OF TRACT NO. 60361, IN THE CITY OF REDONDO BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1329, PAGE(S) 43 TO 45, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM UNITS 201R TO 216R, INCLUSIVE, 301R TO 316R, INCLUSIVE, AND 401PH AND 416PH, INCLUSIVE, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MAY 5, 2008 AS INSTRUMENT NO. 2008-0785400, OFFICIAL RECORDS.

B) UNIT 301, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING SPACE PURPOSES OVER THOSE AREAS NUMBERED "34PS" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 3

AN EXCLUSIVE EASEMENT FOR BALCONY OR PATIO PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "B" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 4

AN EXCLUSIVE EASEMENT FOR STORAGE CLOSET PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "S" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Assessor's Parcel Number: 4155-030-078

EXHIBIT B
NOTICE OF SALE

[BEHIND THIS PAGE}

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford, Esq.

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE
Under Section 2924b Civil Code

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of _____ and recorded as Instrument No. _____, in the Official Records of Los Angeles County on _____ and describing the following real property, located in Los Angeles County as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Debra Merrill, an unmarried woman as Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title, as Trustee, be mailed to:

City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: City Attorney

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

CITY OF REDONDO BEACH, a Chartered Municipal Corporation

Date: _____ By: _____
James A. Light
Mayor and Chairman

APPROVED AS TO FORM:
Joy A. Ford
City Attorney and General Counsel for Authority

By: _____
Joy A. Ford

ATTEST:

By: _____
Eleanor Manzano
City Clerk and Secretary for Authority

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

Real property in the City of Redondo Beach, County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

A) AN UNDIVIDED 874/47,349 INTEREST IN AND TO LOT 1 OF TRACT NO. 60361, IN THE CITY OF REDONDO BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1329, PAGE(S) 43 TO 45, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM UNITS 201R TO 216R, INCLUSIVE, 301R TO 316R, INCLUSIVE, AND 401PH AND 416PH, INCLUSIVE, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MAY 5, 2008 AS INSTRUMENT NO. 2008-0785400, OFFICIAL RECORDS.

B) UNIT 301, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING SPACE PURPOSES OVER THOSE AREAS NUMBERED "34PS" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 3

AN EXCLUSIVE EASEMENT FOR BALCONY OR PATIO PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "B" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 4

AN EXCLUSIVE EASEMENT FOR STORAGE CLOSET PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "S" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Assessor's Parcel Number: 4155-030-078

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

Housing Authority of the
City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Manager

(No Fee per Government Code § 27383)

REQUEST FOR NOTICE
Under Section 2924b Civil Code

In accordance with Section 2924b, Civil Code, request is hereby made that copies of any NOTICE OF DEFAULT and copies of any NOTICE OF SALE under the DEED OF TRUST dated as of _____ and recorded as Instrument No. _____, in the Official Records of Los Angeles County on _____ and describing the following real property, located in Los Angeles County as

[See Exhibit "A" attached hereto and incorporated herein]

executed by Debra Merrill, an unmarried woman as Trustor, in which the City of Redondo Beach, California and the Housing Authority of the City of Redondo Beach, California are collectively names as Beneficiary and First American Title, as Trustee, be mailed to:

The Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Manager

NOTICE: A copy of any notice of default and of any notice of sale, will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

HOUSING AUTHORITY OF THE CITY OF REDONDO BEACH, a Public Body Corporate and Politic

Date: _____ By: _____

James A. Light

Mayor and Chairman

APPROVED AS TO FORM:
Joy A. Ford
City Attorney and General Counsel for Authority

By: _____

Joy A. Ford

ATTEST:

By: _____

Eleanor Manzano

City Clerk and Secretary for Authority

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ____ day of _____, 20__, before me, _____, Notary Public, personally appeared, _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

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PARCEL 1:

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Assessor's Parcel Number: 4155-030-078

EXHIBIT C
PERFORMANCE DEED OF TRUST

[BEHIND THIS PAGE}

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford, Esq.

(No Fee per Government Code § 27383)

PERFORMANCE DEED OF TRUST
(Option to Cure and Purchase Agreement)

THIS PERFORMANCE DEED OF TRUST (this "Deed of Trust") dated as of October 21, 2025 is entered into by Debra Merrill, an unmarried woman ("Trustor") whose address is 2001 Artesia Boulevard, #301, Redondo Beach, California 90278 in favor of First American Title ("Trustee"), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the "City") whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the "Beneficiary").

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor's fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference.

TOGETHER WITH: All rights, title and interest (including any claim or demand in law or equity) which Trustor now has or may hereafter acquire in or to such property; all easements and rights of way appurtenant to such property; all crops growing or to be grown on such property; all water and water rights (whether or not appurtenant to such property) and shares of stock pertaining to such water or water rights, ownership of which affects such property; all minerals, oil, gas, and other hydrocarbon substances and rights thereto in, on, under, or upon such property and all royalties and profits from any such rights or shares of stock. The real property described in Exhibit "A" attached hereto shall be referred to as the "Property".

FOR THE PURPOSE OF SECURING: performance of Trustor's obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the October 21, 2025 Agreement

Containing Covenants, Restrictions and Option to Purchase [Moderate Income] ("Covenant Agreement") executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST, TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Maintenance of the Property. Trustor will:

   a. keep the Property in good condition;

   b. not permit any mechanic's or materialman's lien to arise against the Property;

   c. comply with all laws having a material effect on the Property; and

   d. not commit or permit waste on or to the Property.

2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:

   a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and

   b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.

3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.

4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and

settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.

5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):

   a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and

   b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.

6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.

7. Default. Each of the following shall constitute a **"Default"** under this Deed of Trust:

   a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or

   b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase,

conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily; or

c. Trustor defaults under the terms and conditions of the Covenant Agreement.

8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.

9. Obligation to Inform Beneficiary of Default. Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.

10. Remedies Cumulative. Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.

11. Trustee. The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.

12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.

13. Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.

14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.

15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of

Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.

16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

a. upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);

b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);

c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or

d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: City Manager, Michael Witzansky
Attention: Director of Community Services
Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Manager

TO TRUSTOR:
Debra Merrill
2001 Artesia Boulevard, #301
Redondo Beach, California 90278

TO TRUSTEE:
First American Title
330 North Brand Boulevard, Suite 1150
Glendale, California 91203
Attention: Trust Officer

17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.

18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.

19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.

20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.

21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:

a. post-judgment motions;

b. contempt proceedings;

c. garnishment, levy, and debtor and third party examinations;

d. discovery; and

e. bankruptcy litigation.

22. General Provisions.

a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.

b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.

c. As used herein, the word "Property" shall mean and include the Property and part thereof.

d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.

e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.

f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.

g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

TRUSTOR:

Debra Merrill, an unmarried woman

Debra Merrill

A notary public or other officer completing this certificate only verifies the identity of the individuals who signed documents to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this 9th day of October, 2025 before me, Jasmine N. Venegas Notary Public, personally appeared, Debra Merrill, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

JASMINE N. VENEGAS
COMM.# 2449094
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My Comm. Expires June 4, 2027

EXHIBIT "A"
LEGAL DESCRIPTION

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AN EXCLUSIVE EASEMENT FOR PARKING SPACE PURPOSES OVER THOSE AREAS NUMBERED "34PS" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

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PARCEL 4

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Assessor's Parcel Number: 4155-030-078

Administrative Report

H.13., **File #** 25-1397 **Meeting Date:** 10/21/2025

To: MAYOR AND CITY COUNCIL

From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

APPROVE AN AGREEMENT WITH WOODS MAINTENANCE SERVICES, INC., DBA GRAFFITI CONTROL SYSTEMS, FOR GRAFFITI REMOVAL SERVICES AND ADDITIONAL AS-NEEDED PUBLIC WORKS MAINTENANCE SERVICES, FOR A TOTAL THREE-YEAR AMOUNT NOT TO EXCEED $487,263 AND THE TERM NOVEMBER 1, 2025 TO OCTOBER 30, 2028, WITH TWO AUTOMATIC ONE-YEAR RENEWALS UNLESS TERMINATED

EXECUTIVE SUMMARY

On July 17, 2025, the Police Department issued Request for Proposals (RFP) #2526-001 for graffiti removal services on public property throughout the City. After an evaluation process conducted by staff in the Police and Public Works Departments, Woods Maintenance Services, Inc. (WMS), dba Graffiti Control Systems, was selected as the preferred vendor based on the quality of their proposal, service method, and overall cost.

The proposed Agreement with WMS would provide a seamless transition to continue the current service model that provides a dedicated graffiti removal technician for the City three days a week, Monday, Wednesday, and Friday, starting in November. The service schedule can be adjusted to accommodate holidays, special events, or seasonal activity levels. WMS also offers a 24-hour response for emergency call-out when graffiti is deemed offensive, vulgar, or gang-related (however, these instances are typically handled quickly by Public Works employees).

There will be several options for residents to report graffiti, including through the City's Comcate system, along with a direct email address and phone number for WMS. The proposed Agreement also requires that WMS maintain a database of each graffiti removal, including location, and before-and-after photos.

In addition to routine graffiti removal, WMS has the ability to provide as-needed public works maintenance services, including pressure washing, trash and vegetation abatement, and homeless encampment cleanup. This offers the Public Works Department an option to contract out work on a case-by-case basis when in-house resources are not available.

The proposed Agreement carries a cost of $5,633.50 per month, $67,602 annually, for the initial three -year term. There would be incremental increases for the fourth and fifth years, unless the Agreement is terminated, which at the City's sole and absolute discretion. Emergency response would be billed at $275 for each occurrence, although these calls should be minimal as Public Works

personnel routinely respond in these instances. The additional public works maintenance services are priced in Exhibit C of the agreement, and would only be billed on a case-by-case basis, if work is requested by the City. Staff would secure a quote prior to authorizing each work effort.

BACKGROUND

The City has contracted with Urban Graffiti Enterprises, Inc. since 2008 for graffiti removal services. The most recent Agreement was approved in 2020, for $4,050 per month, or $48,600 annually. The Agreement was set to expire in June of this year. When the City contacted Urban Graffiti regarding a potential renewal, staff were informed that Urban Graffiti would be increasing their fees. As such, staff felt it appropriate to conduct a competitive RFP process to objectively evaluate graffiti removal providers and their costs. Urban Graffiti agreed to a contract extension through October at the same pricing, allowing the City time to issue the RFP. The contract extension was approved by the City Council on June 17, 2025.

The City issued RFP #2526-001 on July 17, 2025, for graffiti removal services. A total of three proposals were received from the following companies, in alphabetical order:

- Urban Graffiti Enterprises, Inc. (Urban Graffiti)
- Vivid Accent Painting Company
- Woods Maintenance Services, Inc. (WMS) dba Graffiti Controls Systems

Below are the pricing structures submitted by each vendor:

Vendor	Pricing Structure
Urban Graffiti Enterprises, Inc	$9,915.00 per month ($118,980 per year)
Vivid Accent Painting Company	$5,415.75 per month ($64,989 per year)
Woods Maintenance Services, Inc. (WMS) dba Graffiti Controls Systems	$5,633.50 per month ($67,602 per year) Years 1-3: $5,633.50 per month ($67,602/year) Year 4: $6,155.83 per month ($73,870/year) Year 5: $6,340.55 per month ($76,087/year) $275 per occurrence for emergency services

The proposals from Urban Graffiti and WMS were selected as the most complete and thorough responses, and these firms were invited for in-person presentations.

The interviews included staff from both the Police and Public Works Departments, and provided the opportunity for each vendor to present their service model, show examples of their work, and answer questions. Both Urban Graffiti and WMS demonstrated the capability to adequately provide the service level required by the City, including available methods for reporting graffiti, providing a 3-day-a-week service model, emergency response times, quality of work, professionalism of service technicians, and database tracking. Additionally, both vendors have extensive experience in providing services for various municipalities and public agencies.

Ultimately, given that both vendors demonstrated sufficient capabilities, staff proceeded to evaluate overall cost, with the WMS quote being significantly less than the rate structure provided by Urban Graffiti for the three-day service model.

Based on the factors noted above, staff unanimously felt that the WMS proposal contained the best combination of service and pricing to meet the City's needs. Staff contacted references, including the cities of West Hollywood, Santa Monica, and Los Angeles, and each city indicated that they are completely satisfied with WMS's level of service and technicians. As a result, staff selected WMS as the preferred vendor for graffiti removal services and recommends that the City Council approve the proposed Agreement.

COORDINATION

The RFP and subsequent evaluation process were coordinated with the Public Works Department. Preparation of the proposed Agreement was coordinated with the City Attorney's Office.

FISCAL IMPACT

The proposed Agreement carries a cost of $67,602 annually for the first three years. Funding for the agreement is available in the Police and Public Works Department operating budgets.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Woods Maintenance Services, Inc. dba Graffiti Control Systems
- Proposal - Woods Maintenance Services, Inc. RFP #2526-001, August 13, 2025
- RFP #2526-001 Graffiti Removal Services

AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND WOODS MAINTENANCE SERVICES, INC.
DBA GRAFFITI CONTROL SYSTEMS

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Woods Maintenance Services, Inc., a California corporation, dba Graffiti Control Systems ("Contractor" or "Consultant").

The parties hereby agree as follows:

A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".

B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

D. Insurance. Contractor shall adhere to the insurance requirements outlined in Exhibit "D", unless otherwise waived by the City's Risk Manager.

E. Agreement to Comply with California Labor Law Requirements. Contractor agrees to comply with all applicable California Labor Law Requirements as set forth in Exhibit "E".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.

2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission,

percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for

at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.

10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for

immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers,

attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D". Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, and employment laws.

a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement

by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 11/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.

b. Labor Law Requirements. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference. State prevailing wage determinations are available on the California Department of Industrial Relations ("DIR") website located at https://www.dir.ca.gov/Public-Works/Prevailing-Wage.html.

18. Non-Discrimination. Contractor shall comply with all applicable federal, state, and local laws, ordinances, regulations, and codes prohibiting discrimination, including but not limited to the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and the California Fair Employment and Housing Act. Contractor shall not discriminate against any employee or applicant for employment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status, or any other legally protected characteristic. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment. Contractor shall include a similar non-discrimination provision in all subcontracts related to the performance of this Agreement.

19. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the

event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

20. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

21. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

22. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

23. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

24. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

25. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

26. Time of Essence. Time is of the essence of this Agreement.

27. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

28. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

29. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

30. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

31. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

32. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

33. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30)

days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

34. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

35. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

36. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH,

a chartered municipal corporation

_____
James A. Light, Mayor

Woods Maintenance Services, Inc. dba Graffiti Control Systems,
a California corporation

Signed by:
By: Josh Woods
5DAFEEEF856B44F...
Name: Josh Woods
Title: COO

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

CONTRACTOR'S DUTIES

Contractor shall perform the following duties.

A. **Graffiti Removal.** Contractor shall perform graffiti removal on public property City-wide, subject to the following specifications.

1. Graffiti removal services shall be performed a minimum of three (3) times per week on Mondays, Wednesdays, and Fridays. Service schedules may be adjusted to accommodate holidays, special events, or seasonal activity levels, subject to mutual agreement between Contractor and City.

2. Contractor shall provide emergency response within 24-hours of a verifiable report of offensive, vulgar, or high priority graffiti, subject to the emergency response fee listed in Exhibit "C" of this agreement.

3. Contractor shall maintain a valid license from the California Contractor's State License Board (CSLB) with the appropriate classifications related to graffiti removal services (C-33 Painting and Decorating, C-61/D-38 Sand and Water Blasting). All licenses must be active, current, and in good standing.

4. Contractor shall obtain and maintain a City of Redondo Beach Business License through the duration of the project services agreement.

5. Contractor shall comply with Prevailing Wage Laws for its employees, including California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq. Certain work under this contract may constitute a "public work" or "maintenance" as defined in the Prevailing Wage Laws and by local ordinance. The prevailing wage rates are determined by the Department of Industrial Relations (DIR).

6. Contractor and its employees shall perform all work under this agreement and no work shall be subcontracted.

7. Contractor shall furnish at its own expense all labor, equipment, and materials necessary for the performance graffiti removal services.

8. Contractor shall comply with storm water and urban runoff pollution prevention requirements and the City's National Pollutant Discharge Elimination System (NPDES) permit requirements.

9. Work shall be performed by qualified and trained staff in a professional manner. Personnel shall wear uniforms clearly identifying the company name and present an identification badge upon request. Uniforms shall be clean and neat.

10. Contractor's company vehicles shall have identifying company name and logo. Employees must utilize only a company vehicle when providing services.

11. Contractor shall determine the most appropriate, effective, and surface-appropriate method of removal based on location, substrate, and type of paint or marking.

12. Contractor shall maintain before and after digital photographs of all work performed, which shall be available to City staff upon request.

13. Contractor shall maintain a log which includes the date and time of each instance of reported graffiti, the location, and the response date and time. Logs shall be submitted monthly to the City as part of invoicing.

14. Contractor shall offer a dedicated email address for City staff and public use to report graffiti.

15. Contractor shall offer a customer service phone line answered during business hours of Monday through Friday from 9:00 a.m. to 5:00 p.m., and voicemail monitored after-hours.

16. Contractor shall offer a web-based application accessible to specified City staff to track all graffiti removal work performed by the Contractor. The application shall include the digital before and after photographs of each job.

17. City main points of contact will be the Public Safety Communications Manager and/or Deputy Public Works Director.

B. <u>Other Services.</u> Contractor may provide the following additional services, on an as-needed basis, when requested by the City, and mutually agreed upon between City and Contractor, and subject to the compensation terms in Exhibit "C" of this Agreement.

1. Non-sacrificial anti-graffiti coating / mural protection.

2. Pressure washing (including water recovery).

3. Trash and vegetation abatement.

4. Homeless encampment cleanup

EXHIBIT "B"

TERM AND TIME OF COMPLETION

1. Term. This agreement shall commence on November 1, 2025 and shall continue until October 31, 2028 (Initial Term), unless otherwise terminated as herein provided. The agreement shall automatically renew for two, one (1) year terms (Renewal Term).

2. Termination. During the Initial Term, either Party may terminate this agreement by 90-day written notice provided by email, first-class mail, or personal delivery, addressed to the parties below. During the any Renewal Term, either Party may terminate this agreement by 45-day written notice provided by email, first-class mail, or personal delivery, addressed to the parties below.

Contractor: Woods Maintenance Services, Inc.
7250 Coldwater Canyon Ave.
North Hollywood, CA 91605
Attn: Josh Woods, COO
Email: joshwoods@graffiticontrol.com

City: City of Redondo Beach
Police Department
401 Diamond St.
Redondo Beach, CA 90277
Attn: Lina Carrillo, Senior Management Analyst
Email: lina.carrillo@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.

EXHIBIT "C"

COMPENSATION

1. Graffiti Removal Services. Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

Description	Service Frequency	Rate	Rate Frequency	Period of Time
Graffiti Removal Services	3 times per week	$5,633.50	per month	36 months
First 1-year extension	3 times per week	$6,155.88	per month	12 months
Second 1-year extension	3 times per week	$6,340.55	per month	12 months
24- Hour Emergency Services- during business hours	1- time	$275.00	per occurrence	
24- Hour Emergency Services- weekend hours	1-time	$375.00	per occurrence	

2. Other services as needed. Other services offered on an as-needed basis only when requested by the City shall be compensated as provided below. Contractor shall first provide an estimate for the work for the City to authorize.

Description	**Rate**
Non-sacrificial anti-graffiti coating/mural protection	Based rate of $3.12 per square foot (minimum $575.00) *Actual cost may increase based on logistics*
Pressure washing (including water recovery)	$145.00 per hour, per worker (4 hour minimum)
Trash and vegetation abatement	$280.00 per hour for 2-person crew (4 hour minimum) plus dump fees passed through at cost ($140 per hour for additional staff)
Homeless encampment cleanup	$280.00 per hour for 2-person crew (4 hour minimum) plus dump fees passed through at cost ($140 per hour for additional staff)

3. Total Compensation. The total compensation shall not exceed $487,263 for the term of this agreement.

4. Method of payment.

   a. Graffiti Removal. Contractor shall provide monthly invoices to City for approval and payment for services. Invoices must be dated, itemized, uniquely numbered, addressed to the appropriate City department, include Contractor name and payment remit address, adequately detailed, and in a form reasonably satisfactory to the City. Invoices shall include the monthly service log. Invoices for graffiti removal may be provided by mail or email to the following:

   b.

   Mail: Redondo Beach Police Department
   Accounts Payable
   401 Diamond St.
   Redondo Beach, CA 90277

   Email: Lina Carrillo, Senior Management Analyst
   lina.carrillo@redondo.org

   c. Other Services as needed: Contractor shall provide an invoice for any additional services, upon completion of the job. Invoice must be dated, itemized, uniquely numbered, addressed to the appropriate City department, include Contractor name and payment remit address, adequately detailed, and in a form reasonably satisfactory to the City. Invoices for other services may be provided by mail or email to the following:

   Mail: Redondo Beach Public Works Department
   Accounts Payable
   531 N. Gertruda Ave.
   Redondo Beach, CA 90277

   Email: Michael Klein, Deputy Public Works Director
   michael.klein@redondo.org

5. Schedule for payment. City agrees to pay Contractor within thirty (30) days of receipt of an invoice, provided that services are completed to the City's reasonable satisfaction and there is no dispute over the amount.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor 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 work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.

4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq*. concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

> "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless, and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties, or other amounts arising out of or incidental to any acts or omissions listed in this Exhibit "E" by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees, and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. This indemnification obligation shall survive the termination of the Agreement.

WOODMAI-01 KMCNEILL

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 9/23/2025

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

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

PRODUCER Whiteboard Risk & Insurance Solutions, LLC 9655 Granite Ridge Dr., Suite 200 San Diego, CA 92123	CONTACT NAME: PHONE (A/C, No, Ext): (858) 223-1170 FAX (A/C, No): (858) 358-4709 E-MAIL ADDRESS:
INSURED Woods Maintenance Services, Inc. 7250 Coldwater Canyon Ave. North Hollywood, CA 91605	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : Natl Union Fire Ins Pittsburgh — 19445 INSURER B : Evanston Insurance Company — 35378 INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT LOC OTHER:	X		2429407	9/1/2025	3/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 300,000 $ 25,000 $ 2,000,000 $ 4,000,000 $ 4,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS HIRED AUTOS ONLY NON-OWNED AUTOS ONLY			4886131	9/1/2025	3/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 2,000,000 $ $ $
B	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			MKLV5EUL106006	2/1/2025	2/1/2026	EACH OCCURRENCE AGGREGATE	$ 4,000,000 $ 4,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: Y If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		34213283-4	9/1/2025	3/1/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 2,000,000 $ 2,000,000 $ 2,000,000

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

Additional Insured status applies to The City, its officers, elected and appointed officials, employees, and volunteers with respect to liability arising out of work performed by or on behalf of the Contractor, under the General Liability as required per written contract, subject to the attached endorsement.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond St
Redondo Beach, CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
ANY PERSON OR ORGANIZATION WHOM YOU BECOME OBLIGATED TO INCLUDE AS AN ADDITIONAL INSURED AS A RESULT OF ANY CONTRACT OR AGREEMENT YOU HAVE ENTERED INTO.	PER THE CONTRACT OR AGREEMENT.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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POLICY NUMBER: 2429407

COMMERCIAL GENERAL LIABILITY
CG 20 15 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - VENDORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s) (Vendor)	Your Products
VENDORS WHO SELL OR DISTRIBUTE YOUR PRODUCTS	ALL PRODUCTS
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured any person(s) or organization(s) (referred to throughout this endorsement as vendor) shown in the Schedule of this endorsement, but only with respect to liability for "bodily injury" or "property damage" arising out of "your products" shown in the Schedule of this endorsement which are distributed or sold in the regular course of the vendor's business.

However:

1. The insurance afforded to such vendor only applies to the extent permitted by law; and

2. If coverage provided to the vendor is required by a contract or agreement, the insurance afforded to such vendor will not be broader than that which you are required by the contract or agreement to provide for such vendor.

B. With respect to the insurance afforded to these vendors, the following additional exclusions apply:

1. The insurance afforded the vendor does not apply to:

a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

b. Any express warranty unauthorized by you;

c. Any physical or chemical change in the product made intentionally by the vendor;

d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

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h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(1) The exceptions contained in Subparagraphs **d.** or **f.;** or

(2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

C. With respect to the insurance afforded to these vendors, the following is added to **Section III — Limits Of Insurance:**

If coverage provided to the vendor is required by a contract or agreement, the most we will pay on behalf of the vendor is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
ANY PERSON OR ORGANIZATION WHOM YOU BECOME OBLIGATED TO INCLUDE AS AN ADDITIONAL INSURED AS A RESULT OF ANY CONTRACT OR AGREEMENT YOU HAVE ENTERED INTO.	PER THE CONTRACT OR AGREEMENT.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

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CITY OF REDONDO BEACH

RFP No. 2526-001

Graffiti Removal Services

Created for:

City of Redondo Beach
Robert Norman- Purchasing

By:

Josh Woods
COO
Woods Maintenance Services, Inc.

7250 Coldwater Canyon Ave
North Hollywood, CA 91605
PH:818-764-2515
Email: joshwoods@graffiticontrol.com

August 13, 2025

WOODS MAINTENANCE SERVICES, INC.

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WOODS MAINTENANCE SERVICES, INC.

LETTER OF INTRODUCTION

August 13, 2025

Robert Norman- Purchasing
City of Beverly Hills
415 Diamond St. Door 1
Redondo Beach, CA 90277

Dear Mr. Norman,

Thank you for the opportunity to present our proposal for graffiti removal services on the public property throughout the City of Redondo Beach.

Woods Maintenance Services, Inc. is a trusted provider of exterior facilities maintenance solutions with over 50 years of experience serving municipalities, utilities, and commercial property owners across Southern California. Headquartered in North Hollywood, our company specializes in landscape maintenance, pressure washing, graffiti removal, gum removal, trash and vegetation abatement, and homeless encampment cleanup.

As a long-standing partner to the City of Los Angeles and other regional agencies, we are known for our responsiveness, reliability, and ability to handle both routine and high-profile assignments with professionalism and care. Our trained crews and specialized equipment allow us to consistently deliver clean, safe, and welcoming environments for the communities we serve.

Likewise, our team is committed to maintaining the City of Redondo Beach properties to the highest standards, ensuring it remains visually appealing, safe, and well-kept throughout the year. With our expertise, we are confident that we can exceed your expectations.

We appreciate your consideration and look forward to the possibility of working with you.

Person authorized to bind Woods Maintenance Services, Inc.:

Josh Woods, COO
Woods Maintenance Services, Inc.
PH:818-764-2515
Email: joshwoods@graffiticontrol.com

WMS HEADQUARTERS:
7250 Coldwater Canyon Ave
North Hollywood, CA 91605

TAX ID:95-4643637

WOODS MAINTENANCE SERVICES, INC.

COMPANY BACKGROUND AND EXPERIENCE

- *Company background and experience in providing the required services. Company must have provided these services continuously for a minimum of five years.*

Woods Maintenance Services, Inc. is a Los Angeles-based exterior maintenance company with over 50 years of continuous service, specializing in graffiti removal, pressure washing, and site cleanup. Since our founding in 1975, we have been a trusted municipal partner, delivering high-quality, responsive graffiti abatement services across Southern California, including for the Cities of Los Angeles, West Hollywood, Santa Monica, San Gabriel, Temple City, Diamond Bar. and the County of Los Angeles, where we hold long-standing contracts.

For the past several decades, our company has removed millions of square feet of graffiti from public and private properties, including DCA-protected murals, public libraries, transit infrastructure, commercial corridors, and high-traffic pedestrian areas. Our crews are highly trained in chemical application, hot and cold pressure washing, color matching, and surface restoration techniques that prioritize both effectiveness and preservation.

We are equipped with a fleet of fully outfitted abatement vehicles and utilize water recovery systems in compliance with stormwater and environmental regulations. Our team operates 24/7 to ensure fast response times and consistently meets the demands of large-scale, high-profile cleanup efforts, including post-event and emergency response support.

Woods Maintenance Services, Inc. has proudly provided uninterrupted graffiti removal services for almost five decades and exceeds the RFP requirement of a minimum five years of continuous experience. We are confident in our ability to support the City of Redondo Beach with professional, efficient, and community-conscious service.

- *Provide a "Scope of Services" complete with descriptive information and outlining how the company meets each of the requirements listed in Section 4 of this RFP, including a list of all equipment and methods utilized for graffiti removal, reporting and response model, copies of applicable State licenses, and compliance with prevailing wage laws.*

Scope of Services – Graffiti Removal

Woods Maintenance Services, Inc. proposes the following scope of services in response to the City of Redondo Beach's RFP for graffiti removal on public property. We are a fully licensed, insured, and experienced provider of municipal abatement services and have designed our operations to meet or exceed each of the City's listed requirements.

1. Reporting Methods

Woods Maintenance provides multiple channels for graffiti reporting, including:

- A dedicated email address for City staff and public use
- A dedicated 800-number for text communication
- A customer service phone line answered during business hours, with voicemail monitored after-hours
- Optional integration with a City-provided portal, if available
- We can also offer a customized online form submission portal with geolocation tagging and photo upload capability if requested by the City.

***Write ON, Right OFF!* App or Web-based Public Submission Portal**

Easy and intuitive graffiti incident reporting application or web-based public submission portal for select, contracted cities. City of Redondo Beach representatives can report graffiti directly to Woods Maintenance Services.

GRAFFITI CONTROL SYSTEMS

- The user simply uploads a photo and enters the address and description of the location of the vandalism. If a user enters their email address, they will be notified when the incident is resolved.
- The Write ON, Right OFF! application has been developed by Woods Maintenance Services, one of the most experienced graffiti removal companies in the United States.

2. Scheduled Weekly Service

Graffiti removal services will be performed a minimum of **three (3) times per week** on mutually agreed-upon days–we recommend Monday, Wednesday, and Friday. Woods Maintenance is

flexible and can adjust service schedules to accommodate holidays, neighborhood needs, special events, or seasonal activity levels.

3. Emergency Response

We provide **24-hour response** for offensive, vulgar, or high-priority graffiti through a direct phone number for use by designated City staff. Our dispatch team ensures that these calls are prioritized for same-day or next-day response, including evenings and weekends.

Open Communication

Open and responsive communication with the City of Redondo Beach representatives is essential for the timely resolution of issues and the optimization of operational efficiency. WMS has a proven track record, developed over 50+ years of contracting, of providing 24/7/365 accessibility for our management team to address our clients' needs. We commit to maintaining this level of availability in all future contracting opportunities. **Upon contract award, we will provide client staff with direct phone numbers for management and supervisory personnel, ensuring round-the-clock access for service requests.**

Effective communication within WMS is equally vital. Management maintains continuous contact with field staff via company-issued mobile devices, using both calls and text messages, to monitor operational progress and proactively address any resource or staffing needs.

Our supervisors, who have an average tenure of over 20 years with the company, are empowered to make informed field-level decisions, which they then communicate to the office. We have full confidence in their ability to make sound judgments that serve both the company's and the client's best interests. In situations where a supervisor requires guidance on a specific request, they will consult with Project Managers, Josh Woods or Jared Woods.

Management and supervisors conduct weekly meetings to review project progress, identify any necessary adjustments to protocols, and proactively address emerging issues. We also remain readily available for in-person meetings with client staff to discuss any matters that may arise.

4. Service Logging & Monthly Reporting

All graffiti removal activities are logged using our in-house software. Logs include:

- Date and time of report
- Exact location of the graffiti
- Response date and time
- Description of the removal method
- Before/after photos (see #8)

- Monthly summaries are submitted along with invoicing to ensure transparency and accountability.

5. Graffiti Removal Methods

Woods Maintenance determines the most effective and surface-appropriate removal method based on location, substrate, and type of paint or marking. We utilize:

- Low- and high-pressure hot water power washing
- Environmentally friendly chemical solvents
- Paint-over color-matching and surface restoration
- Media blasting (used sparingly on porous surfaces)
- All methods are compliant with NPDES and environmental guidelines. Water recovery systems are used to prevent runoff in compliance with local stormwater ordinances.

Our Graffiti Removal Services Include:

1. *Rapid Response Removal- When every hour counts.*
    a. 12 - 24 hour response for reported vandalism
    b. Same-day removal available for priority locations
    c. Emergency cleanup for transit, public, and high-visibility areas
    d. Quick coordination with City managers and officials

2. *Surface-Specific Cleaning- Preserving the integrity of your surfaces*
    a. Painted wall restoration
    b. Brick, concrete, and stone graffiti removal
    c. Metal, tile, glass, and stucco-safe methods
    d. Low-pressure washing and chemical application
    e. Protective coatings to deter repeat tagging

Mural Protection Services

As the sole private contractor authorized by the City of Los Angeles to apply anti-graffiti coatings to City-sanctioned murals, Woods Maintenances has decades of experience and a reputation for precision for the restoration of vandalized walls and surfaces quickly. We specialize in the long-term protection of murals and painted surfaces, offering advanced anti-graffiti coatings designed to preserve artistic integrity while defending against future vandalism.

Woods Maintenance takes mural protection seriously. We offer two types of coating systems:

Permanent Coating:
A high-performance sealant that protects murals for 8–12 years. Graffiti can be easily cleaned with hot water and non-abrasive methods, without harming the artwork beneath.

Sacrificial Coating:
A protective barrier that is removed (or “sacrificed”) during graffiti removal using hot water pressure washing. Once the coating and graffiti are removed, we allow the area to dry and reapply the sacrificial coating over the cleaned section.

6. Qualified, Uniformed Staff

All graffiti abatement is performed by trained professionals who:

- Wear branded uniforms and ID badges
- Are courteous and aware of public surroundings when working in community spaces
- We take pride in our team's professional appearance and conduct.

In addition, WMS Technicians are provided general training and safety training that align with OSHA standards, EPA guidelines, and industry best practices for exterior maintenance companies.

General Training:

- Surface Identification & Treatment Methods – Knowing what products and techniques work on different materials (brick, concrete, metal, painted surfaces).
- Chemical Handling & Application – Proper use of graffiti removers, solvents, and sealants.
- Equipment Operation – Safe handling of sprayers, brushes, and pressure washers

Safety Training:

- Hazard Communication (HazCom) – OSHA requirement for working with chemicals (labels, SDS, PPE).
- Personal Protective Equipment (PPE) – Eye protection, gloves, respirators if using strong chemicals.
- Respiratory Protection – Fit testing and training if respirators are needed.
- Slip, Trip & Fall Prevention – Wet surfaces, ladders, scaffolding.
- Environmental Compliance – Prevent runoff into storm drains (EPA Clean Water Act).
- First Aid for Chemical Exposure – Immediate response procedures for skin/eye contact.

Our Experience Speaks for Itself

Our graffiti removal services are supported by a highly experienced team, many of whom have been with our company for more than 20 years. This longevity reflects not only our commitment to employee development but also the depth of knowledge and consistency our team brings to every project. Their expertise in advanced removal techniques, surface protection, and environmental compliance ensures that every service is performed efficiently, safely, and to the highest standards required by the City of Redondo Beach.

Woods Maintenance Services has a proven history of successfully managing graffiti removal programs for some of Southern California's most prominent communities, including resort destinations such as Santa Monica and West Hollywood. These cities require the highest level of quality, discretion, and accountability- standards we meet and exceed daily.

Value Proposition and Differentiation

What sets Woods Maintenance Services apart is not just our technical capability, but our unwavering commitment to performance, transparency, and long-term partnerships. While this RFP requests three references, we can confidently say that **every** contract administrator we work with would provide a positive reference regarding the quality and reliability of our services. Our reputation is built on trust and results, not low-bid compromises.

Unlike some specialty contractors who submit low bids and then underdeliver, Woods Maintenance Services takes a different approach: we provide fair, competitive pricing, outperform expectations, and maintain strong, multi-year relationships in every community we serve. This commitment ensures consistent service quality, accountability, and a true partnership with the agencies that trust us to maintain their public spaces.

Our Expertise is Founded in Strong Leadership

Barry Woods – CEO & President

Barry Woods founded Woods Maintenance Services in 1975 after graduating from UCLA and has grown the company into a leading provider of exterior maintenance solutions. Recognized for his contributions to city beautification, Barry is also an active philanthropist, serving on the Board of CSOP, which has raised over $6 million for organizations such as Make-A-Wish and St. Jude's Research Hospital.

Jeff Woods – General Manager

Jeff Woods, a founding partner of the company's predecessor, rejoined Woods Maintenance Services in 1998 to oversee daily operations. With expertise in information technology, he has been instrumental in modernizing systems and streamlining processes, ensuring operational efficiency and strong service delivery.

Josh Woods – Chief Operating Officer

Josh Woods returned to Los Angeles in 2009 after two decades of business experience in multiple states. As COO, he brings a fresh perspective and innovative approach to operational strategy and organizational growth, focusing on efficiency and service excellence.

Jared Woods – Director of Special Projects

Jared Woods began his career with the company in the early 1990s and returned decades later to lead key initiatives, including relocation and technology upgrades. Known for his problem-solving skills and hands-on leadership, Jared combines deep institutional knowledge with forward-thinking strategies to support the company's continued success.

Rebeca Perez – Director of Business Development

Rebeca Perez leads marketing and client engagement strategies for Woods Maintenance Services, driving growth and strengthening partnerships across public and private sectors. She is an active member of the International Facility Management Association (IFMA), Los Angeles and San Fernando Valley Chapters, where she contributes to industry networking and professional development initiatives.

Enrique Lopez- Senior Supervisor

Enrique Lopez has been a dedicated member of Woods Maintenance Services since 1989, bringing decades of hands-on experience to every project he oversees. Over the years, he has served as project manager for multiple contracts, demonstrating exceptional leadership and operational expertise. Enrique also manages the application of anti-graffiti coatings to City of Los Angeles-approved murals, helping to preserve public artwork. With unparalleled experience in graffiti removal, Enrique is widely recognized for his extensive knowledge and skill in restoring and maintaining public spaces to the highest standards.

7. Branded Vehicles

All work is performed using Woods Maintenance vehicles clearly marked with our company name and logo.

As an approved partner of the City of Redondo Beach, we have the ability to display the official city decal on our vehicles, identifying us as "Under Contract with the City of Redondo Beach."

Our service fleet is equipped with pressure washing systems, paint, solvents, PPE, and digital reporting tools. Employees are required to use company vehicles exclusively when performing services for the City.

8. Before and After Photos

Our crews document every graffiti removal project with time-stamped digital photographs taken before and after each service. These images are uploaded and stored in our secure internal database, which currently contains over 290,000 documented incidents dating back to 2015. This database represents only a portion of the total graffiti removals we have completed during this period, demonstrating the depth of our operational experience. Upon request, these images

can be provided for verification purposes and may also be attached to service logs and invoices for complete transparency and reporting.

9. Licensing

Woods Maintenance Services, Inc. holds the following valid and active licenses:

- C-33 Painting and Decorating
- C-61/D-38 Sand and Water Blasting

Copies of these licenses are included in the Appendix of this proposal.

10. Furnishing of Labor, Equipment & Materials

Woods Maintenance provides all labor, materials, and equipment required to complete graffiti abatement services at no additional cost to the City. Our equipment includes:

- Self-contained mobile pressure washing units
- Water reclamation vacuums
- Eco-friendly graffiti removal solvents
- Paint color-matching systems
- Digital tablets for field reporting

11. Prevailing Wage Compliance

Woods Maintenance complies fully with California Prevailing Wage Laws, including all relevant Labor Codes and DIR requirements. Certified payroll records can be provided upon request.

12. Stormwater Compliance

All fieldwork follows stormwater pollution prevention best practices and complies with the City's NPDES permit requirements. Crews are trained to use secondary containment and water recovery systems when operating near storm drains or sensitive areas.

13. Business and Tax Documentation

We will provide the following documentation upon award:

- W-9
- Fictitious Business Name Statement as filed with Los Angeles County

14. City Business License

Woods Maintenance will obtain and maintain a valid City of Redondo Beach Business License for the duration of the contract term.

- *Provide a cost proposal and fee structure for the services, inclusive of all service options encompassed in the scope of work. If feasible, provide a sample 1-month cost estimate based on the average monthly calls for service of 167.*

Cost Proposal and Fee Structure

Description	Service Frequency	Rate	Rate Frequency	Period of Time
Graffiti Removal Services	3 times per week	$5,633.50	per month	36 months
First 1-year extension	3 times per week	$6,155.88	per month	12 months
Second 1-year extension	3 times per week	$6,340.55	per month	12 months
24- Hour Emergency Services- during business hours	1- time	$275.00	per occurrence	
24- Hour Emergency Services- weekend hours	1-time	$375.00	per occurrence	

Notes:

Additional services, including, but not limited to: pressure washing, gum removal, application of anti-graffiti coating are by estimate only.

- Provide three current clients as references, with the services utilized, length of service, contact person, title, and telephone number.

REFERENCES

Client:	**City of West Hollywood**
Property Location:	City-wide
Contact:	Paul Hertz
Title:	Facilities Maintenance Superintendent
Phone:	323- 848-6591
Email:	phertz@weho.org
Length of Services:	5 years
Description of Services:	Graffiti Removal Services, Pressure Washing Services

Client:	**City of Los Angeles**
Property Location:	City-wide
Contact:	Gerry Valido
Title:	Assistant Director–Office of Community Beautification
Phone:	213-978-0225
Email:	gerry.valido@lacity.org
Length of Services:	30+ years
Description of Services:	Graffiti Removal Services, Pressure Washing Services

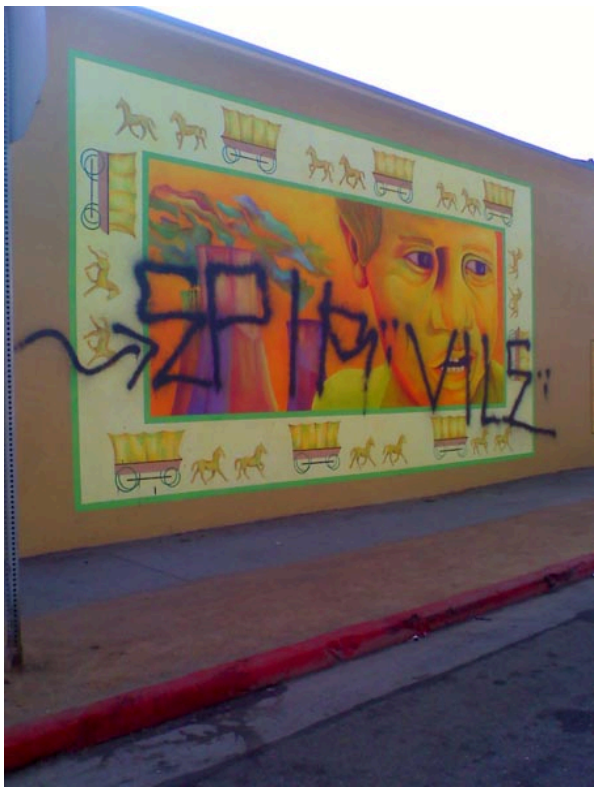
Client:	**City of Santa Monica**
Property Location:	City-wide
Contact:	Rashan Ivy
Title:	Facilities Supervisor
Phone:	310-310-9586
Email:	rashan.ivy@santamonica.gov
Length of Services:	15+ years
Description of Services:	Graffiti Removal Services, Pressure Washing Services

Woods Maintenance Services, Inc.

Examples of our Work

Mural Restoration

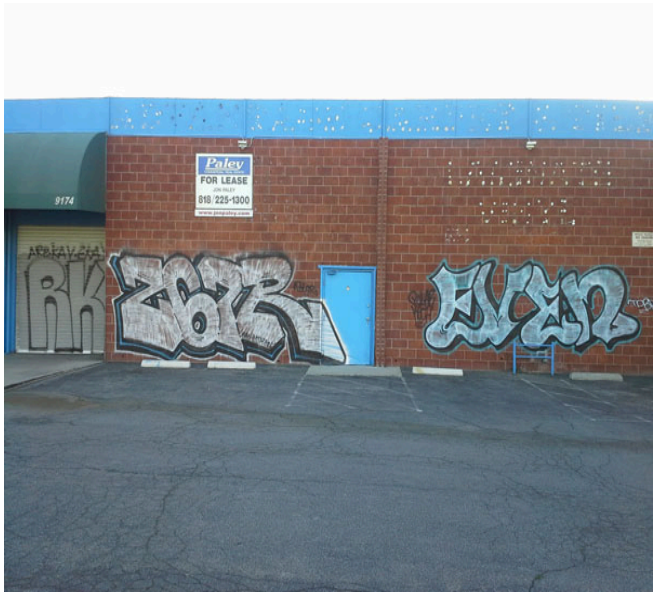
When restoring a mural that has been vandalized with graffiti, our team begins by assessing the artwork and selecting the safest removal method to preserve the original design. We carefully apply a specialized graffiti remover and gently clean the surface to eliminate the tagging without damaging the mural. Once the graffiti is fully removed and the artwork is inspected for quality, we apply a clear, protective anti-graffiti coating to safeguard the mural against future vandalism. All work is performed with precision and in accordance with best practices for art preservation and environmental compliance.



Woods Maintenance Services, Inc.

Before and After Graffiti Removal Process

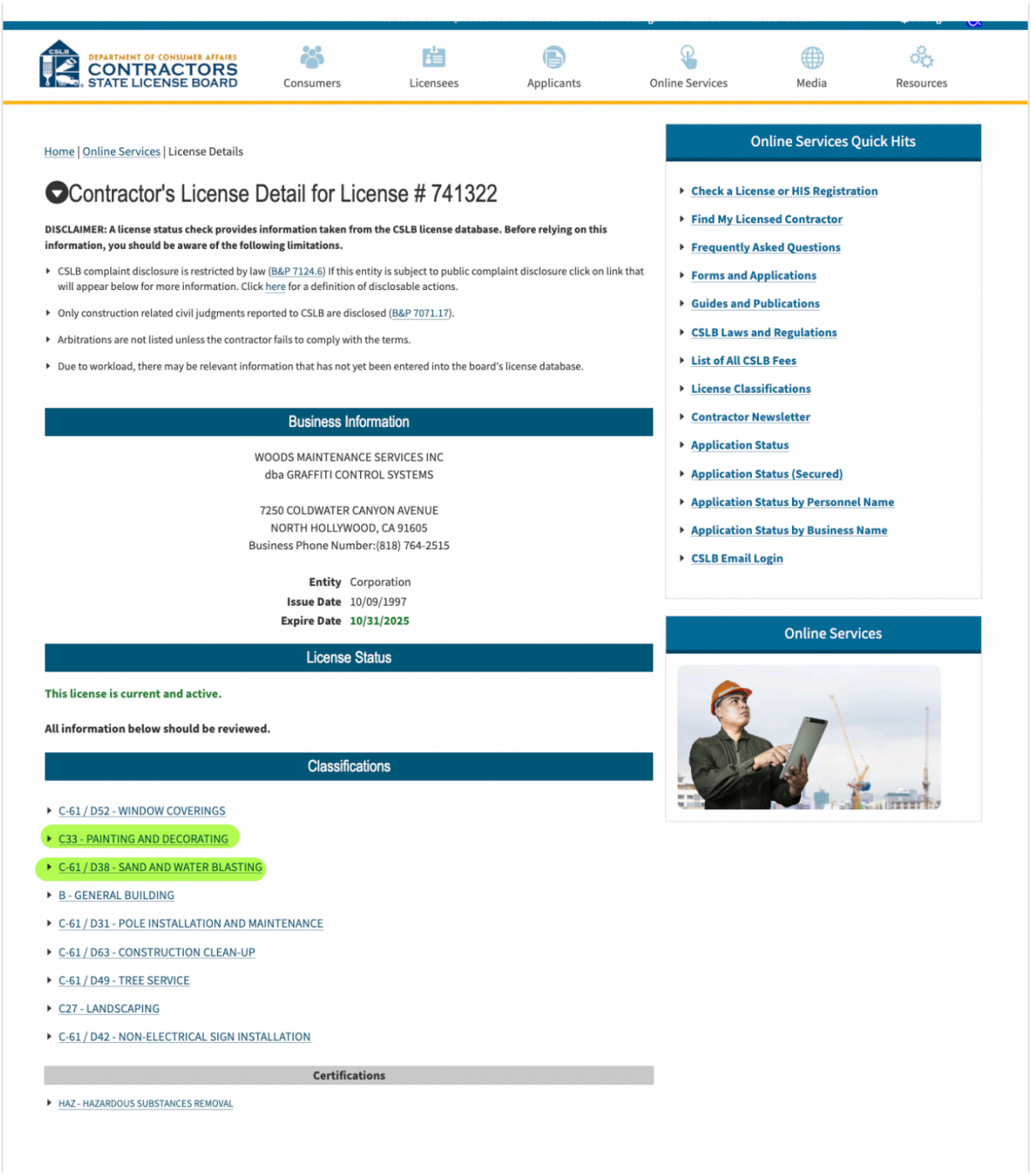
To remove graffiti from a brick surface, our team begins by assessing the wall and surrounding area to determine the appropriate removal method and ensure environmental compliance. We protect adjacent surfaces and contain runoff before applying a masonry-safe graffiti remover. After allowing proper dwell time, the area is gently agitated with a stiff-bristle brush and rinsed with low-pressure hot water as needed. This process may be repeated for stubborn markings. Once the graffiti is removed, the surface is thoroughly rinsed, inspected for quality, and, if specified, treated with a protective anti-graffiti coating. All waste materials are properly collected and disposed of in accordance with local and EPA regulations before the site is restored to its original condition.



WOODS MAINTENANCE SERVICES, INC.

APPENDIX- COPIES OF LICENSES

C-33 PAINTING AND DECORATING
C-61/D-38 SAND AND WATER BLASTING



DEPARTMENT OF CONSUMER AFFAIRS
CONTRACTORS STATE LICENSE BOARD

Consumers | Licensees | Applicants | Online Services | Media | Resources

Home | Online Services | License Details

Contractor's License Detail for License # 741322

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure click on link that will appear below for more information. Click here for a definition of disclosable actions.
- Only construction related civil judgments reported to CSLB are disclosed (B&P 7071.17).
- Arbitrations are not listed unless the contractor fails to comply with the terms.
- Due to workload, there may be relevant information that has not yet been entered into the board's license database.

Business Information

WOODS MAINTENANCE SERVICES INC
dba GRAFFITI CONTROL SYSTEMS

7250 COLDWATER CANYON AVENUE
NORTH HOLLYWOOD, CA 91605
Business Phone Number:(818) 764-2515

Entity Corporation
Issue Date 10/09/1997
Expire Date **10/31/2025**

License Status

This license is current and active.

All information below should be reviewed.

Classifications

- C-61 / D52 - WINDOW COVERINGS
- C33 - PAINTING AND DECORATING
- C-61 / D38 - SAND AND WATER BLASTING
- B - GENERAL BUILDING
- C-61 / D31 - POLE INSTALLATION AND MAINTENANCE
- C-61 / D63 - CONSTRUCTION CLEAN-UP
- C-61 / D49 - TREE SERVICE
- C27 - LANDSCAPING
- C-61 / D42 - NON-ELECTRICAL SIGN INSTALLATION

Certifications

- HAZ - HAZARDOUS SUBSTANCES REMOVAL

Online Services Quick Hits

- Check a License or HIS Registration
- Find My Licensed Contractor
- Frequently Asked Questions
- Forms and Applications
- Guides and Publications
- CSLB Laws and Regulations
- List of All CSLB Fees
- License Classifications
- Contractor Newsletter
- Application Status
- Application Status (Secured)
- Application Status by Personnel Name
- Application Status by Business Name
- CSLB Email Login

Online Services

WOODS MAINTENANCE SERVICES, INC.

SAMPLE INSURANCE CERTIFICATE

ACORD

WOODMAI-01 SOLUTIONS

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 1/23/2025

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

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

PRODUCER	CONTACT NAME: Kate McNeill
Whiteboard Risk & Insurance Solutions, LLC 9655 Granite Ridge Dr., Suite 200 San Diego, CA 92123	PHONE (A/C, No, Ext): (858) 223-1170 FAX (A/C, No): E-MAIL ADDRESS: solutions@whiteboardrisk.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Fire Insurance Co	19682
INSURER B : Travelers Prop Cas Co of Amer.	25674
INSURER C : Evanston Insurance Company	35378
INSURER D :	
INSURER E :	
INSURER F :	

INSURED

Woods Maintenance Services, Inc.
7250 Coldwater Canyon Ave.
North Hollywood, CA 91605

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT LOC OTHER:	X		72CESOF0BCL	2/1/2025	2/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS HIRED AUTOS ONLY NON-OWNED AUTOS ONLY			810-2R852547-24-26-G	9/1/2024	9/1/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
C	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			MKLV5EUL106006	2/1/2025	2/1/2026	EACH OCCURRENCE AGGREGATE	$ 4,000,000 $ $ 4,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N Y If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	X	UB-2R899405-24-26-G	9/1/2024	9/1/2025	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000

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

Proof of Insurance

CERTIFICATE HOLDER	CANCELLATION
Proof of Insurance	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE

ACORD 25 (2016/03)

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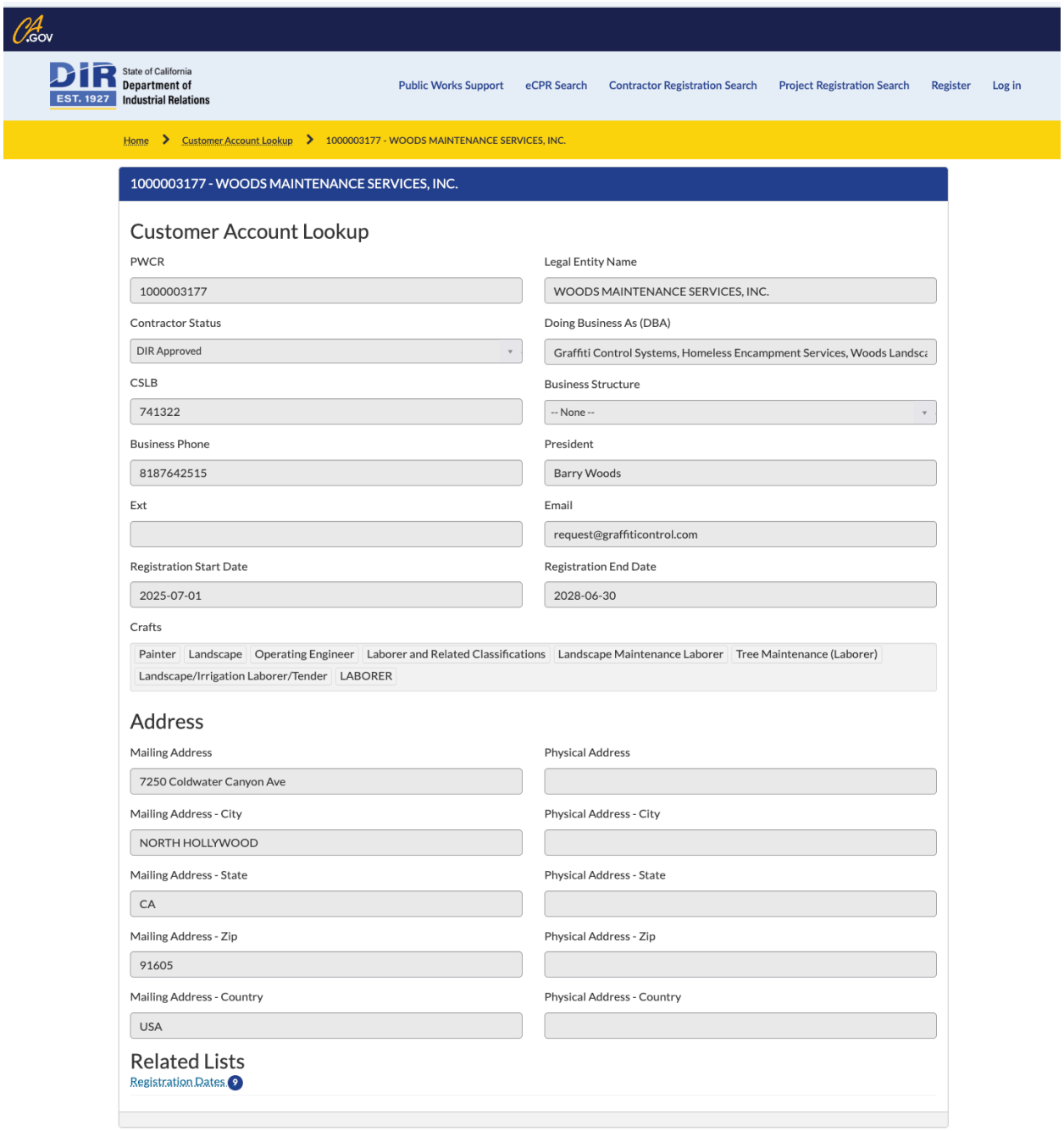
WOODS MAINTENANCE SERVICES, INC.

DIR Registration Form



CA.GOV

DIR State of California Department of Industrial Relations EST. 1927

Public Works Support | eCPR Search | Contractor Registration Search | Project Registration Search | Register | Log in

Home > Customer Account Lookup > 1000003177 - WOODS MAINTENANCE SERVICES, INC.

1000003177 - WOODS MAINTENANCE SERVICES, INC.

Customer Account Lookup

PWCR: 1000003177	Legal Entity Name: WOODS MAINTENANCE SERVICES, INC.
Contractor Status: DIR Approved	Doing Business As (DBA): Graffiti Control Systems, Homeless Encampment Services, Woods Landsc
CSLB: 741322	Business Structure: -- None --
Business Phone: 8187642515	President: Barry Woods
Ext:	Email: request@graffiticontrol.com
Registration Start Date: 2025-07-01	Registration End Date: 2028-06-30

Crafts: Painter | Landscape | Operating Engineer | Laborer and Related Classifications | Landscape Maintenance Laborer | Tree Maintenance (Laborer) | Landscape/Irrigation Laborer/Tender | LABORER

Address

Mailing Address: 7250 Coldwater Canyon Ave	Physical Address:
Mailing Address - City: NORTH HOLLYWOOD	Physical Address - City:
Mailing Address - State: CA	Physical Address - State:
Mailing Address - Zip: 91605	Physical Address - Zip:
Mailing Address - Country: USA	Physical Address - Country:

Related Lists

Registration Dates 9

WOODS MAINTENANCE SERVICES, INC.

ADDENDUM #1

REDONDO BEACH

City of Redondo Beach
Purchasing - Financial Services Dept.
415 Diamond Street, Redondo Beach, CA 90277
(310) 697-3128

ADDENDUM #1 (1 Page)

RFP NUMBER: 2526-001

RFP NAME: Graffiti Removal Services

ADDENDUM DATE: 5:30 p.m., August 4, 2025

ISSUED BY: _____
Robert Norman, Financial Services Dept.

The following constitutes Addendum #1:

1. **Question submittal deadline is extended to Tuesday, August 5, 2025.**
2. **Response to Questions deadline is extended to Thursday, August 7, 2025.**
3. **Proposal due date is extended to 4:00pm, Thursday, August 14, 2025.**

This Addendum must be acknowledged electronically through the Procurement Portal via OpenGov on the City's website at the following link:

https://procurement.opengov.com/portal/redondo/

OR if a proposal is delivered directly to the City by courier, in-person, or mail, then acknowledgement of this Addendum must be included with your sealed proposal.

ACKNOWLEDGED:

Company Name: Woods Maintenance Services, Inc.

Signature: Josh Woods **Date:** 8/14/25
Authorized Representative

City of Redondo Beach
RFP#2526-001 / Addendum #1

Page 1 of 1

ADDENDUM #2

REDONDO BEACH

City of Redondo Beach
Purchasing - Financial Services Dept.
415 Diamond Street, Redondo Beach, CA 90277
(310) 697-3128

ADDENDUM #2 (2 Pages)

RFP NUMBER: 2526-001

RFP NAME: Graffiti Removal Services

ADDENDUM DATE: 5:00 p.m., August 7, 2025

ISSUED BY: _____
Robert Norman, Financial Services Dept.

The following constitutes Addendum #2:

1. **Response to Questions - See page 2 of this Addendum**

This Addendum must be acknowledged electronically through the Procurement Portal via OpenGov on the City's website at the following link:

https://procurement.opengov.com/portal/redondo/

OR if a proposal is delivered directly to the City by courier, in-person, or mail, then acknowledgement of this Addendum must be included with your sealed proposal.

ACKNOWLEDGED:

Company Name: Woods Maintenance Services, Inc.

Signature: Josh Woods **Date:** 8/14/25
Authorized Representative

City of Redondo Beach
RFP#2526-001 / Addendum #2

Page 1 of 2

WOODS MAINTENANCE SERVICES, INC.

Additional Services to Serve You

While the current RFP focuses on graffiti removal, Woods Maintenance Services offers a full spectrum of exterior maintenance capabilities that highlight our depth of experience and reliability. In addition to graffiti removal, our team provides landscape maintenance, trash and vegetation abatement, gum removal, and pressure washing for municipalities and private-sector properties across Southern California. Highlighting these capabilities demonstrates our ability to deliver comprehensive, high-quality maintenance solutions, allowing the City to benefit from a single trusted vendor. This integrated approach promotes efficiency, consistency, and cost-effectiveness, ensuring that properties under our care are not only free of graffiti but also safe, clean, and well-maintained year-round.

Landscaping

A well-maintained landscape enhances curb appeal and creates a welcoming environment. Our expert team provides professional landscaping services, including lawn care, plant installation, and routine maintenance, to keep your outdoor spaces looking their best year-round.

Pressure Washing & Steam Cleaning

Dirt, grime, and buildup can make any surface look worn and neglected. Our high-powered pressure washing and steam cleaning services effectively remove stains, mold, and mildew from driveways, sidewalks, buildings, and more—restoring surfaces to a like-new condition.

Gum Removal

Chewing gum buildup can be an eyesore and difficult to remove. Our specialized gum removal service safely eliminates stubborn residue from sidewalks, entryways, and public spaces, leaving surfaces clean and inviting.

Trash and Vegetation Abatement

When encampments are left behind, what remains isn't just debris; it's a public space burdened by risk, stigma, and neglect. Our crews are trained to safely remove waste, and overgrowth while restoring the site to a clean, compliant, and respectful condition. Whether the space serves a city, a business, or multifamily complex, we're committed to leaving it safer, and cleaner than we found it.

WOODS MAINTENANCE SERVICES, INC.

THANK YOU

We look forward to being of service!

Request for Proposal

RFP#2526-001

Graffiti Removal Services

Proposals Due: Thursday, August 7, 2025 at 4:00 P.M. PDT

Responses may be submitted electronically through the City's procurement portal hosted by OpenGov on the City's website at https://procurement.opengov.com/portal/redondo

or submitted by courier, mail or in-person to:

City of Redondo Beach
Robert Norman - Purchasing
Attn: RFP# 2526-001
415 Diamond St., Door 1
Redondo Beach, CA 90277

TIMELINE

Activity	Date
RFP issued	Thursday, July 17, 2025
Deadline to submit questions	Wednesday, July 30, 2025
Response to questions (addendum) issued	Friday, August 1, 2025
Proposals due	**Thursday, August 7, 2025 by 4:00 p.m. PDT**
Evaluation of proposals by City staff	August 8 – 22, 2025
Final vendor selection and contract initiation	August 25, 2025
Contract Development	September 2025
Contract execution	October 7, 2025

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2. City Profile 3
3. Objectives 4
4. Scope of Work 4
5. Standard Agreement and Insurance Requirements 5
6. Proposals 5
7. Evaluation of Proposals 6
8. Questions and Communications 7
9. Submittals 7
10. Attachment A 8

1. Introduction

The City of Redondo Beach ("City") is soliciting proposals from qualified companies to provide Graffiti Removal Services. The specific scope of work is detailed in Section 4.

The award resulting from this RFP will be a fixed 3-year contract with two (2) optional 1-year extensions. The initial term is projected to begin October 2025. There is no expressed or implied obligation for the City to reimburse responding organizations for any expenses incurred in preparing proposals in response to this request.

City staff will evaluate proposals submitted. During the evaluation process, the City reserves the right to request additional information or clarifications from Proposers, or to allow corrections of errors or omissions. At the discretion of the City, Proposers may be requested to make oral presentations as part of the evaluation process. The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the organization of the conditions contained in this request for proposal, unless clearly and specifically noted otherwise in the proposal submitted and confirmed in the contract between the City and the selected organization.

2. City Profile

Redondo Beach is a full-service city that funds and provides proprietary police, fire, and public works departments, two public libraries, a performing arts center, fifteen parks, thirteen parkettes, a large recreational and commercial harbor including King Harbor, a 1,500-slip private craft port, the Redondo Beach Pier and Seaside Lagoon, and a bathing and surfing beach covering approximately 6.2 square miles of land.

Located in the choice coastal edge of Los Angeles County, approximately twenty miles from downtown Los Angeles and seven miles south of Los Angeles International Airport, Redondo Beach has been a preferred resort destination for more than a century and one of the most desirable areas to live in the country. The City's population has been slowly but steadily growing in the past few years. As of 2020, the Census reports a total population of 71,576. Median home price is approximately $1.4 million.

Redondo Beach is a "charter city" governed by a council-manager form of government. The Mayor is elected at large, and one Council Member is elected from each of the five City districts. The Mayor and Council appoint the City Manager as the chief administrative officer of the City to guide day-to-day operations.

The City receives approximately 2,000 reports of graffiti on public property per fiscal year (July – June). This averages to approximately 167 reports per month, with higher-than-average reports in the late summer months, and below average in the winter months. Public property includes, but may not be limited to, walls, City structures, sidewalks and curbs, street and traffic signs, streetlights and poles, bus stops and benches, park benches and tables, and utility boxes.

3. Objectives

The goal of this RFP is to select a qualified contractor to provide timely graffiti removal services on public property throughout the City. Potential vendors are hereby invited to submit their proposal and qualifications.

4. Scope of Work

Selected contractor shall be responsible to perform graffiti removal on public property City-wide, in a timely manner, and subject to the following specifications:

1. Vendor shall offer a dedicated website link or email address as an electronic method of reporting, and a phone number for the public and City staff to report graffiti.

2. Graffiti removal shall occur a minimum of three (3) times per week on specified days agreed to between the City and the selected contractor.

3. Emergency service option for response and removal of vulgar or egregious subjects within 24-hours, with a direct telephone number provided to City staff.

4. Vendor shall maintain a log which includes the date and time of each instance of reported graffiti, the location, and the response date and time. Logs shall be submitted monthly to the City as part of invoicing.

5. Vendor shall determine the most appropriate method of removal. Proposal should include descriptions of all methods utilized by the vendor.

6. Work shall be performed by qualified and trained staff in a professional manner. Personnel shall wear uniforms clearly identifying the company name and present an identification badge upon request. Uniforms shall be clean and neat.

7. Company vehicles shall have identifying company name and logo. Employees must utilize only a company vehicle when providing services.

8. Vendor shall maintain before and after digital photos, which shall be available to City staff upon request.

9. Vendor must be licensed by the California Contractor's State License Board (CSLB) with the appropriate classifications related to graffiti removal services (C-33, C-61/D-38). All licenses must be active, current, and in good standing. Vendor shall include copies of licenses with their proposal, for verification by the City.

10. Vendor shall furnish at its own expense all labor, equipment, and materials necessary for the performance graffiti removal services.

11. Vendor shall comply with Prevailing Wage Laws, including California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq. Work under this contract constitutes a "public work" or "maintenance' as defined in the Prevailing Wage Laws and by local ordinance. The prevailing wage rates are determined by the Department of Industrial Relations (DIR).

12. Vendor shall comply with storm water and urban runoff pollution prevention requirements and the City's National Pollutant Discharge Elimination System (NPDES) permit requirements.

13. Selected vendor shall provide to the City a W-9 and a copy of the official Fictitious Business Name Statement filed and recorded with the vendor's respective County office.

14. Selected vendor shall obtain and maintain a City of Redondo Beach Business License through the duration of the project services agreement.

5. Standard Agreement and Insurance Requirements

The City of Redondo Beach will utilize its Standard Agreement for Project Services, which is included as Attachment A for reference. **There will be no changes to the indemnification or insurance requirements.**

Companies should make note of Exhibit D Insurance Requirements. Selected vendor will be required to carry at minimum $2,000,000 Each Occurrence in General Liability Insurance Coverage, and $1,000,000 minimum for Automobile Liability and Worker's Compensation/Employer Liability. The City of Redondo Beach shall be included as a certificate holder, with the following required additional insured endorsement language:

"The City, its officers, elected and appointed officials, employees, and volunteers are to be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor."

General liability coverage can be provided in the form of an endorsement to the Consultant's insurance, or as a separate owner's policy.

The City's insurance requirements are mandatory and cannot be altered or waived.

6. Proposals

In order to assist in the review of all responses, Proposers are asked to submit the following in their proposal:

- A letter of introduction describing the company, identifying those able to sign on behalf of the company, a contact person, the headquarters of the company, tax identification number, and Unique Entity Indentifier (UEI) number *(if applicable)*.

- Company background and experience in providing the required services. Company must have provided these services continuously for a minimum of five years.
- Provide a "Scope of Services" complete with descriptive information and outlining how the company meets each of the requirements listed in Section 4 of this RFP, including a list of all equipment and methods utilized for graffiti removal, reporting and response model, copies of applicable State licenses, and compliance with prevailing wage laws.
- Provide a cost proposal and fee structure for the services, inclusive of all service options encompassed in the scope of work. If feasible, provide a sample 1-month cost estimate based on the average monthly calls for service of 167.
- Provide three current clients as references, with the services utilized, length of service, contact person, title, and telephone number.

7. Evaluation of Proposals

Proposals submitted in response to this RFP shall be reviewed and evaluated by the City. Proposals will be evaluated on the basis of their responses to all provisions of this RFP and cost effectiveness.

The evaluation of proposals and recommendation of how to proceed with any contract award will be carried out by the City and may involve further discussions with Proposers to clarify items contained in the written proposal.

Review of the proposals may include:

- Reviewing and evaluating all proposals for completeness and conformance with the proposal specifications contained in the RFP and eliminating those which are found to be non-responsive.
- City shall evaluate and score all eligible, responsible and responsive proposals received in response to this RFP. The City is not obligated to select the lowest cost proposal. Contract award will be made to the most responsive and responsible Proposer whose proposal represents the best overall value to the City by taking into consideration the evaluation criteria set forth in this RFP.
- Conducting any meetings or discussions with Proposers for the purpose of clarification
- Evaluation of the proposals by the City shall include, but not limited to, the following criteria:
    - Quality, clarity, completeness, responsiveness of proposal
    - Knowledge of and past experience with similar projects
    - Qualifications of the company and assigned staff
    - Appropriateness and acceptability of service method
    - Reasonableness of cost to the City
    - Quality and utility of website and telephone reporting options
    - Demonstrated ability to work in a cooperative and collaborative manner with clients
    - Responses from references
    - Compliance with RFP specifications

The award of the contract will be based upon the proposal which represents a combination of responsiveness, price, qualifications, experience, references, and perceived ability to successfully fulfill the services. Final approval of any contract award recommendation will be contingent upon review and approval by the Redondo Beach City Council.

8. Questions and Communications

Proposers must submit **all written questions and requests for clarification or additional information** regarding this RFP by **Wednesday, July 30, 2025,** through the City's online procurement portal hosted by OpenGov on the City's website at the following link:
https://procurement.opengov.com/portal/redondo

If you have any procedural questions or issues obtaining information or documents, please contact:

Robert Norman
Purchasing Administrative Analyst
E-mail: robert.norman@Redondo.org
Telephone: (310) 697-3128

The City will not respond to questions received after the deadline. Responses to the questions will be documented and distributed simultaneously to all proposers on record through the form of an addendum and posted on the City's procurement portal hosted by OpenGov on the City's website by Friday, August 1, 2025.

9. Submittals

Proposals may be submitted electronically through the City's procurement portal hosted by OpenGov on the City's website at https://procurement.opengov.com/portal/redondo, or submitted by courier, mail or in-person to:

City of Redondo Beach
Robert Norman - Purchasing
Attn: RFP# 2526-001
415 Diamond St., Door 1
Redondo Beach, CA 90277

The deadline for submission of proposals is Thursday, August 7, 2025, by 4:00 p.m. PDT.
Responses received after the deadline will not be accepted.

It is the responsibility of Proposers to ensure that the proposal arrives on time at the right place. Any proposals received after the above time will be disqualified.

All submitted proposals and information included therein or attached thereto shall become public record upon delivery to the City, per the requirements of the California Public Records Act (CPRA).

The City reserves the right to reject any or all proposals, wave any informalities and minor irregularities, or to select the proposal that best meets the needs of the City, even though it may not be the lowest.

Proposals shall be valid for a period of 180 days. No changes will be allowed following the proposal due date and time.

10. Attachment A

City of Redondo Beach Standard Agreement for Project Services including Exhibit D Insurance Requirements, and Exhibit E Agreement to Comply with California Labor Law Requirements – follows on next page.

AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND <INSERT CONTRACTOR NAME>.

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and <INSERT CONTRACTOR NAME,> a <INSERT BUSINESS TYPE> ("Contractor" or "Consultant").

The parties hereby agree as follows:

A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".

B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.

2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be

specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may authorize extra and/or changed work. Contractor expressly recognizes that other

City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.

10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary

materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole

negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 11/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract

between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.

b. Prevailing Wages. City and Contractor acknowledge that this project is a public work to which prevailing wages apply. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.

18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written

agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

25. Time of Essence. Time is of the essence of this Agreement.

26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City

shall be waived if not made within six (6) months after accrual of the cause of action.

31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this ____ day of _____, 20____.

CITY OF REDONDO BEACH

_____
James A. Light, Mayor

<INSERT CONTRACTOR NAME>

By: _____
Name:_____
Title: _____

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

CONTRACTOR'S DUTIES

Contractor shall perform the following duties.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence _____, 20__ and expire _____, 20___ ("Term"), unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** [monthly, hourly, annual amounts, etc.]

2. **METHOD OF PAYMENT.** Contractor shall provide invoices indicating the services and tasks performed during the prior month to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.

3. **SCHEDULE FOR PAYMENT**. [payment terms]

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

   Contractor

   City

   All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. 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.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor 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 work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee

satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.

4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq*. concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this

Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars ($25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

> "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.

Administrative Report

H.14., **File #** 25-1419 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2510-079, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, LEASING CERTAIN PROPERTY TO 211 CRYSTAL COVE APTS, LLC, A DELAWARE CORPORATION

APPROVE A GROUND LESSOR ESTOPPEL CERTIFICATE AND AN AMENDMENT TO THE LEASE TO INCLUDE A NON-MERGER CLAUSE FOR 211 CRYSTAL COVE APTS, LLC

EXECUTIVE SUMMARY

The 211 Crystal Cove Apartments, LLC is in the process of refinancing their existing mortgage loan. Pursuant to the terms of the Lease between the City of Redondo Beach (Landlord) and 211 Crystal Cove Apartments, LLC (Lessee), prior to execution of a new loan agreement, the City as Landlord must execute and deliver a Ground Lessor Estoppel Certificate, which confirms the status of the lease for the lender on items such as rent payments, the amount of tenant deposits, and whether there are any outstanding lease violations. This Estoppel Certificate is being requested as part of the Lessee's effort to refinance its existing debt. No new debt (cash-out) is being issued as part of the re-financing.

As an additional condition of the refinancing, the lender providing the refinancing opportunity to the Lessee requires that the Ground Lease be amended to insert a non-merger clause, which is commonly found in financeable ground leases to ensure that the leasehold and fee interests remain legally distinct.

City staff have reviewed the payment history for the Crystal Cove Apartments, which is contained in the Lease with 211 Crystal Cove Apartments, LLC, and confirmed that the Lessee is current with all lease requirements. In addition, the City's outside legal counsel prepared the proposed Ground Lease Amendment to include a non-merger clause, which has been reviewed by the City Attorney's Office. At this time, staff recommends the Council approve both the Estoppel Certificate and Amendment to the Ground Lease.

BACKGROUND

211 Crystal Cove Apartments, LLC is the current leaseholder of the property located at 211 Yacht Club Way. The leasehold is located west of North Harbor Drive and is bounded by the border of Hermosa Beach and Redondo Beach to the north, and King Harbor Marina to the south. The property includes Crystal Cove Apartments, leased office space and the Charthouse Restaurant. The

City entered into the Master Lease in 2007 with RG/Bascom Harbor Cove Apartments LLC which was then assigned to The Kobe Group in 2008, followed by the assignment of the leasehold to 211 Crystal Cove Apartments, LLC in October 2018.

Under the terms of the 2007 lease, the Lessee may request that the City provide a Ground Lessor Estoppel Certificate which certifies that the Lessee is in good standing with the lease requirements. The most recent Estoppel Certificate for the Lessee was approved by the City Council in November 2018, which enabled the Lessee to finalize a loan to refinance the lease. 211 Crystal Cove Apartments, LLC is undergoing another loan refinancing process and has proposed a new Estoppel Certificate to support the Lessee's refinancing of existing debt.

As part of this refinancing, an amendment to the Ground Lease is also required to incorporate a non-merger clause, which prevents the automatic combination of a leasehold interest (the right to occupy the property) with the fee simple ownership (the right to own the property) if the property is ever acquired by the same person or entity. This protects the lenders security interest in the leasehold even if the Lessee were to acquire the property from the City, which given the Tidelands location of the property could never occur. It also maintains rights for subtenants, in that it ensures any subleases are not automatically terminated if the tenant and landlord interests were to merge. No other changes to the existing lease are proposed with this amendment.

Staff from the City Attorney's Office and the Waterfront and Economic Development Department have confirmed that the Lessee remains in compliance with all lease obligations and have worked with the City's real estate attorney to prepare the proposed Ground Lessor Estoppel Certificate and Amendment to the Ground Lease.

COORDINATION

The Waterfront and Economic Development Department collaborated with the City Attorney's Office on this item. The City Attorney's Office, with assistance from outside legal counsel, prepared the Estoppel Certificate and the proposed Amendment to the Ground Lease.

FISCAL IMPACT

Approval of the Ground Lessor Estoppel Certificate does not have a direct financial impact on the City, as there is no cash-out associated with the refinancing. However, the transaction would allow 211 Crystal Cove Apartments, LLC to obtain financing that is critical to maintaining property operations.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No. CC-2510-079 Leasing Certain Property to 211 Crystal Cove Apartments LLC
- Agmt - First Amendment to the Lease between the City of Redondo Beach and 211 Crystal Cove Apartments LLC, November 19, 2019
- Agmt - Proposed Second Amendment to the Lease between the City of Redondo Beach and 211 Crystal Cove Apartments LLC
- Proposed Ground Lessor Estoppel Certificate

RESOLUTION NO. CC-2510-079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, LEASING CERTAIN PROPERTY TO 211 CRYSTAL COVE APTS LLC, A DELAWARE CORPORATION

WHEREAS, Section 2-21.01, Chapter 21, Title 2, of the Redondo Beach Municipal Code provides that any lease of public land owned or controlled by the City of Redondo Beach, or by any department or subdivision of the City, shall be administratively approved by resolution; and

WHEREAS, The City of Redondo Beach ("Lessor") and RG/Bascom Harbor Cove Apartments, LLC ("Original Lessee") entered into a certain Ground Lease dated as of September 1, 2007 (the "Ground Lease"), concerning those certain premises as further set forth in the Ground Lease located at 211 Yacht Club Way, Redondo Beach, CA 90277 and designated as APNs 7503-003-900, 7503-003-901 and 8940-262-001 (collectively, the "Premises"); and

WHEREAS, the Original Lessee subsequently assigned its right, title and interest as "lessee" under the Ground Lease to The Kobe Group, Inc. ("Kobe") pursuant to that certain Assignment of Lessee's Interest Under Ground Lease dated October 10, 2007 (the "Second Assignment"); and

WHEREAS, Kobe subsequently assigned its right, title and interest as "lessee" under the Ground Lease to 211 Crystal Cove Apts LLC ("Lessee") pursuant to that certain Assignment of Lessee's Interest Under Ground Lease dated May 29, 2015 (the "Second Assignment"); and

WHEREAS, on November 19, 2019 Lessor and Lessee entered into a First Amendment to amend and restate Exhibit B of the Ground Lease which is entitled "Permitted Uses and Applicable Percentage"; and

WHEREAS, Lessor and Lessee desire to enter into this Second Amendment to amend certain terms of this Ground Lease to insert a non-merger clause; and

WHEREAS, the City Council shall approve the subject lease only upon the making of certain findings.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the City Council of the City of Redondo Beach approves the Second Amendment to the Ground Lease with 211 Crystal Cove Apts LLC ("Second Amendment to the Ground Lease") for the property located at **211 Yacht Club Way,** Redondo Beach, CA 90277, as further detailed in the Second Amendment to the Ground Lease attached hereto as Exhibit "A" and incorporated herein as set forth in full.

SECTION 2. That the City Council of the City of Redondo Beach hereby finds:

1. The Second Amendment to the Ground Lease will result in a net economic or other public benefit to the City of Redondo Beach or the general public; and

2. The granting of the Second Amendment to the Ground Lease is consistent with and will further the fiscal, budgetary and applicable economic development, social, recreational, public safety or other applicable adopted policies of the City; and
3. The Second Amendment to the Ground Lease, and all land uses and development authorized by the Second Amendment to the Ground Lease, are consistent with all applicable provisions of the general plan, the Coastal Land Use Plan where applicable, and the applicable zoning ordinances of the City; and
4. The Second Amendment to the Ground Lease and all land uses and development authorized by the Second Amendment to the Ground Lease, are consistent with and will carry out the goals, standards and policies of any specific plan applicable to the Second Amendment to the Ground Lease property; and
5. The Second Amendment to the Ground Lease and its purposes are consistent with all other applicable provisions of law; and
6. The Second Amendment to the Ground Lease and all land uses and development authorized by the Second Amendment to the Ground Lease are consistent with terms of and will further the purposes of the grant from the State and all applicable laws and agreements governing use of the land; and
7. The Second Amendment to the Ground Lease shall not exceed sixty-six (66) years.

PASSED, APPROVED AND ADOPTED this 21st day of October, 2025.

_____
James A. Light, Mayor

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

ATTEST:

_____
Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2510-079 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 21st day of October, 2025, and there after signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Eleanor Manzano, CMC
City Clerk

EXHIBIT A

FIRST AMENDMENT TO LEASE
BETWEEN THE CITY OF REDONDO BEACH
AND 211 CRYSTAL COVE APTS LLC

THIS FIRST AMENDMENT TO LEASE ("Amendment") is made as of November 19, 2019 (the "Effective Date") by and between the City of Redondo Beach, a municipal corporation ("Lessor") and 211 Crystal Cove Apts LLC, a Delaware limited liability company ("Lessee").

RECITALS:

A. On or about September 1, 2007, Lessor and RG/Bascom Harbor Cove Apartments, LLC (predecessor-in-interest to Lessee) entered into that certain Lease (the "Lease") covering certain real property (the "Premises") located in the City of Redondo Beach, State of California, more particularly described on **Exhibit A** attached to the Lease.

B. On or about October 10, 2008, the Lease was assigned from RG/Bascom Harbor Cove Apartments, LLC to The Kobe Group, Inc., a California corporation. As part of the 2008 assignment, Lessor executed a Ground Lease Estoppel, dated October 7, 2008 (the "Estoppel"), in favor of Centerline Mortgage Capital Inc., a Delaware corporation (the "Lender"). The Estoppel requires Lender's consent to any modification of the Lease.

C. On or about May 29, 2015, the Lease was assigned from The Kobe Group, Inc. to Lessee and approved by Lessor pursuant to a Consent to Assignment of Leasehold Interest to 211 Crystal Cove Apts LLC, dated October 2, 2018. As part of the 2018 consent, a Guaranty was executed by Allen H. Ginsburg, Trustee of the Persephones Trust, dated December 4, 1989, as amended (the "Guaranty").

D. The parties hereto desire to amend the Lease as set forth hereinbelow.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. Recitals and Defined Terms. The Recitals are hereby incorporated and made a part of this Amendment. There are no modifications, amendments or supplements to the Lease except as otherwise set forth herein. Initially capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Lease.

2. Permitted Uses and Applicable Percentage Exhibit. **Exhibit B** of the Lease (Permitted Uses and Applicable Percentage) is hereby amended, restated, and replaced with the attached **Exhibit B**, effective as of May 30, 2019 (the "Adjustment Date"), with any retroactive cash adjustments to be made in accordance with section 5.9 of the Lease as of the Adjustment Date.

3. No Default. To each party's actual knowledge and without any duty to investigate, there is no default by any party to the Lease as of the date of this Amendment.

4. Ratification. Except as expressly modified herein, the terms and provisions of the Lease as amended remain in full force and effect and the Lease is hereby approved and confirmed. If there is any conflict or inconsistencies between the terms and provisions of the Lease and the terms and provisions of this Amendment, this Amendment shall control.

5. Execution. The parties acknowledge and agree that this Amendment may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.

6. Miscellaneous. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors, assigns, heirs, executors, administrators and personal representatives. This Amendment may be executed in two or more counterparts each of which shall be deemed an original, and all of which, when taken together constitute one and the same document. In the event legal action is instituted in connection with this Amendment or the rights and duties of any party in relation thereto, the prevailing party shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorneys' fees, either in such action or in a separate action brought for that purpose. If any provision of this Amendment is determined to be invalid or unenforceable, the remaining provisions shall remain enforceable to the maximum extent allowed by law. This Amendment contains the entire agreement of the parties with regard to the subject matter hereof, and supersedes all prior written and oral statements, representations, or agreements. This Amendment may not be amended without the written consent of all parties hereto. Each person executing this Amendment represents that he/she has full power and authority to execute this Amendment on behalf of the party he/she represents and to bind it to the provisions hereof.

[SIGNATURES ON THE FOLLOWNG PAGE]

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the Effective Date.

"LESSOR"
CITY OF REDONDO BEACH

ATTEST:

_____
William C. Brand, Mayor

_____
Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

_____
Michael W. Webb, City Attorney

"LESSEE"
211 CRYSTAL COVE APTS LLC, LLC,
a Delaware limited liability company

By: _____
Allen H. Ginsburg, President

GUARANTOR:

By: _____
Allen H. Ginsburg, Trustee

Acknowledged and Agreed To:

LENDER:

CENTERLINE MORTGAGE CAPITAL INC.,
a Delaware corporation

By: _____
Its: _____

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL C.

EXHIBIT B
Permitted Uses and Applicable Percentage
(See Section 1)

	Permitted Uses	Applicable Percentage (expressed as a percentage of Gross Receipts, as defined in the Lease)
1.	Residential Rentals	10.5%
2.	Restaurant and Bar	5.0%
3.	Parking: Non-residents (if charge is made) Valet parking for restaurant	 30.0% 5.0%
4.	Office Rentals	12.0%
5	Rentals to the public of beach products, including, without limitation, umbrellas, towels, beach chairs, boogie boards, rafts and floats	15.0%
6	Rental of beach or other property for events (outside of subleased Chart House premises)	10.0%
7	Wireless telecommunication equipment/facility	15.0%

Chart House revenues generated within the Chart House building will be treated as Restaurant and Bar use, at the 5% rate; any function on the beach will be at the 10% rate under category 6.

CITY OF REDONDO BEACH CITY ATTORNEY'S OFFICE APPROVED BY LEGAL

SECOND AMENDMENT TO GROUND LEASE

This Second Amendment to Ground Lease (this "Second Amendment") is dated as of October 21st, 2025 (the "Effective Date") by and between The City of Redondo Beach, a chartered municipal corporation ("Lessor") and 211 Crystal Cove Apts LLC, a Delaware limited liability company ("Lessee").

RECITALS

A. Lessor and RG/Bascom Harbor Cove Apartments, LLC ("Original Lessee"), Lessee's predecessor in interest, entered into that certain Ground Lease dated September 1, 2007 (the "Ground Lease") concerning those certain premises as further set forth in the Ground Lease located at 211 Yacht Club Way, Redondo Beach, CA 90277 and designated as APNs 7503-003-900, 7503-003-901 and 8940-262-001 (collectively, the "Premises"); such Ground Lease was memorialized of record pursuant to a Memorandum of Lease dated September 1, 2007 and recorded December 28, 2007 as Instrument No. 20072850562 in the Official Records, Los Angeles County, State of California.

B. The Original Lessee subsequently assigned its right, title and interest as "lessee" under the Ground Lease to The Kobe Group, Inc. ("Kobe") pursuant to that certain Assignment of Lessee's Interest Under Ground Lease dated October 10, 2008 (the "First Assignment"), which First Assignment was recorded on October 14, 2008 as Instrument No. 20081826105 in the Official Records, Los Angeles County, State of California.

C. Kobe subsequently assigned its right, title and interest as "lessee" under the Ground Lease to Lessee pursuant to that certain Assignment of Lessee's Interest Under Ground Lease dated May 29, 2015 (the "Second Assignment"), which Second Assignment was recorded on June 1, 2015 as Instrument No. 2015636128 in the Official Records, Los Angeles County, State of California.

D. Lessor previously approved a first amendment to Ground Lease (the "First Amendment") on November 19, 2019. The First Amendment addressed an updated Permitted Uses and Applicable Percentages Exhibit, effective as of May 30, 2019.

E. Lessee intends to refinance its loan (the "Mortgage Loan") with Colliers Mortgage LLC, a Delaware limited liability company ("Lender"), which loan is secured by the Premises. Lender has advised Lessee that it intends to sell the Mortgage Loan to Fannie Mae and as a condition of such refinancing, Lender and/or Fannie Mae requires that the Ground Lease be amended to insert a non-merger clause.

F. Lessor and Lessee desire to amend the Ground Lease to add the non-merger clause.

SECOND AMENDMENT

NOW THEREFORE, in consideration of the mutual promises herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, Lessor and Lessee agree as follows:

1. Non-Merger. A new Article 54 is hereby inserted into the Ground Lease:

54. Non-Merger

Lessee's leasehold estate shall not merge into Lessor's fee estate, and the Lease shall not terminate as to the Lender, because of the conveyance of the Lessee's leasehold interest to the Lessor or the conveyance of the Lessor's interest to the Lessee.

2. Effect; Modification. In the event there is inconsistency between the Ground Lease, the First Amendment and this Second Amendment, the Second Amendment shall prevail. Unless expressly modified by this Second Amendment, the terms and conditions of the Ground Lease shall remain in force and effect. This Second Amendment may be modified or amended only be a subsequent written amendment executed by both parties.

[REMAINDER INTENTIONALLY BLANK, SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

LESSOR:

THE CITY OF REDONDO BEACH,
a chartered municipal corporation

By:_____

Name:_____

Title:_____

LESSEE:

211 CRYSTAL COVE APTS LLC,
a Delaware limited liability company

By: The Kobe Group, Inc.
a California corporation,
its Sole Member

By:_____

Name: Allen H. Ginsburg

Title: President

ATTEST:

By:_____

Name:_____

Title:_____

APPROVED AS TO FORM:

By:_____

Name:_____

Title:_____

NOTARY PUBLIC
SEE ATTACHED

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of LOS ANGELES)

On 10/15/2025 before me, MANUEL PARTIDA, NOTARY PUBLIC,
Date *Here Insert Name and Title of the Officer*

personally appeared ALLEN H. GINSBURG
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

MANUEL PARTIDA
COMM. #2513933
Notary Public - California
Los Angeles County
My Comm. Expires Mar. 9, 2029

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: SECOND AMENDMENT TO GROUND LEASE
Document Date: _____ Number of Pages: _____
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

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GROUND LESSOR ESTOPPEL CERTIFICATE

October 21, 2025

PROPERTY NAME:	**CRYSTAL COVE APARTMENTS**
PROPERTY ADDRESS: (include county)	**211 Yacht Club Way** **Redondo Beach, Los Angeles County, California 90277** (the "**Mortgaged Property**")
LEASE DATE:	**September 1, 2007**
GROUND LESSOR:	**CITY OF REDONDO BEACH,** **a chartered municipal corporation** ("**Ground Lessor**")
GROUND LESSEE:	**211 CRYSTAL COVE APTS LLC,** **a Delaware limited liability company,** **as successor in interest to The Kobe Group, Inc., a California corporation, successor in interest to RG/Bascom Harbor Cove Apartments, LLC, a Delaware limited liability company** ("**Ground Lessee**")

Ground Lessor acknowledges that (a) **COLLIERS MORTGAGE LLC, a Delaware limited liability company** (together with its successors and assigns, "**Lender**"), has agreed, subject to the satisfaction of certain terms and conditions, to make a loan (the "**Mortgage Loan**") to Ground Lessee, which Mortgage Loan is or will be secured by a lien on Ground Lessee's leasehold interest in the Mortgaged Property (the "**Premises**"), and (b) Lender is requiring this Ground Lessor Estoppel Certificate (this "**Estoppel Certificate**") as a condition to its making the Mortgage Loan. Accordingly, Ground Lessor hereby certifies and confirms to Lender and its transferees, successors and assigns, as follows:

1. A true, complete and correct copy of the lease between Ground Lessor and Ground Lessee with respect to the Premises, together with any other amendment, supplement or agreement related thereto, is attached hereto as Schedule I (collectively, the "**Lease**"). Other than as attached on Schedule I, the Lease has not been modified, changed, altered, assigned, supplemented or amended in any respect. The Lease represents the entire agreement between Ground Lessor and Ground Lessee with respect to the Premises.

2. Ground Lessor hereby consents to the Mortgage Loan secured by a lien as to the leasehold estate created by the Lease, and to the encumbrance of a security lien against Ground Lessee's leasehold estate as security for repayment of the Mortgage Loan, it being expressly understood that Lender intends to assign the Loan to Fannie Mae, and that Fannie Mae, its successors and assigns, may specifically rely on the provisions of this Estoppel Certificate.

3. The Lease provides for an original term of **FIFTY-FIVE (55) YEARS**, commencing on **September 1, 2007** and expiring on **August 30, 2062.**

4. The Lease makes the following provision for renewal or extension of its term beyond the original term: (initial one)

(X) the Lease does not contain an option(s) or other right to renew or extend for any additional term or terms.

(___) the Lease contains an option for _____ additional term(s) of _____ years each.

5. The rent currently payable by Ground Lessee to Ground Lessor under the Lease is $40,437.39 per month. All rent and other charges due and currently payable by Ground Lessee under the Lease through September 30, 2025 have been fully paid by Ground Lessee.

6. The Lease is valid and in full force and effect, and there is no existing default or unfulfilled obligation on the part of Ground Lessee in any of the terms and conditions of the Lease, and no event has occurred or condition exists which, with the passing of time or giving of notice or both, would constitute an event of default under the Lease.

7. Ground Lessor has no present right to terminate the Lease. Ground Lessor has neither given nor received any notice of termination of the Lease.

8. Ground Lessee has no option or right of first refusal to purchase the Premises or any part thereof.

9. Ground Lessee owns all improvements located on the Premises.

10. Ground Lessor agrees that it shall not accept a voluntary surrender or termination of the Lease for so long as the Premises are subject to the Mortgage Loan without the prior written consent of Lender in its sole and absolute discretion.

11. There is an existing mortgage encumbering Ground Lessor's fee estate that is subordinate to the leasehold estate of the Ground Lessee under the Ground Lease.

12. Ground Lessor shall not require Ground Lessee to subordinate its leasehold estate to a subsequent mortgage of the fee estate obtained by Ground Lessor.

13. Ground Lessor has not assigned, mortgaged, conveyed, transferred, encumbered, hypothecated or granted to any party any interest in the Lease or the Premises (other than recorded easements, rights of way or similar recorded encumbrances of record as of the date hereof) other than to Ground Lessee, or granted to any party any right or option to purchase the Premises or any interest of Ground Lessor in the Lease other than options granted to Ground Lessee under the Lease. Ground Lessor has not subordinated its interest in the Lease to any mortgage lien or other encumbrance on the fee.

14. Ground Lessor consents to the assignment and mortgage by Ground Lessor of Ground Lessor's interest in the Ground Lease and the Premises to Lender in connection with securing a loan to be made by Lender to Ground Lessor in the approximate original principal amount of **THIRTY-FIVE MILLION ONE HUNDRED THIRTY-EIGHT THOUSAND AND 00/100 DOLLARS ($35,138,000.00)** (the "Loan"). Ground Lessor represents and warrants that no agreement or joinder of any party is required in connection with such consent by Ground Lessor.

15. Ground Lessor consents to the right of Lender to foreclose on the Mortgage Loan and sell or take title to or possession of the leasehold estate of Ground Lessee in its own name or in the name of an assignee or nominee without Ground Lessor's prior consent. In the event of any such foreclosure or any other exercise by Lender of rights and remedies (whether under the Mortgage Loan or under applicable law), as a result of which Lender (or its designee or nominee) or a third party purchaser becomes owner of the leasehold estate, or delivery of a deed or other conveyance of Ground Lessee's interest in lieu of any of the foregoing, Ground Lessor agrees that, Lender (or its designee or nominee) or a third party purchaser at a foreclosure sale or a transferee that receives a deed in lieu of foreclosure shall only be liable for acts or omissions taking place during the period in which Lender (or its designee or nominee) or such third party purchaser at a foreclosure sale or transferee that receives a deed in lieu of foreclosure had record title to the leasehold estate, and Ground Lessor will provide for an automatic release of Lender (or its designee or nominee) or any third party purchaser at a foreclosure sale or transferee that receives a deed in lieu of foreclosure, upon confirmation that any defaults that are not personal to Ground Lessee have been cured, as provided in Section 13.4 of the Ground Lease.

16. Ground Lessor agrees that, without the written consent of Lender, (a) there shall be no merger of any estate or interest in the Premises (whether leasehold, fee, mortgage lien or otherwise), by reason of the fact that any such estate or interest may be owned or held, directly or indirectly, by or for the benefit of any person who now or hereafter owns or holds any one or more estate or interest in all or part of the Ground Leased Premises, and (b) Ground Lessor shall not mortgage or otherwise encumber its fee estate unless there is express subordination of the Ground Lessor's fee mortgage to the Ground Lessee's interest under the Ground Lease.

17. Events of partial or total destruction of the Premises, and events of partial condemnation of the Premises, are not events which permit Lessor to terminate the Lease, and Lessor shall not terminate the Lease on those grounds.

18. Ground Lessor confirms that, based on Ground Lessee's representation to Ground Lessor that there will be no Net Financing Proceeds from the Mortgage Loan, no Appreciation Rent as provided under in Section 18 of the Ground Lease is due in connection with the Loan.

19. Lender will rely on the representations and warranties made by Ground Lessor herein in connection with Lender's agreement to make the Mortgage Loan and Ground Lessor agrees that Lender may so rely on such representations and warranties.

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IN WITNESS WHEREOF, the undersigned has signed and delivered this Estoppel Certificate under seal (where applicable) or has caused this Estoppel Certificate to be signed and delivered under seal (where applicable) by its duly authorized representative. Where applicable law so provides, the undersigned intend(s) that this Estoppel Certificate shall be deemed to be signed and delivered as a sealed instrument.

GROUND LESSOR:

CITY OF REDONDO BEACH,
a chartered municipal corporation

By: _____

Print Name: _____

Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of CALIFORNIA
County of _____

On _____, 2025, before me, _____, a notary public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

SCHEDULE I TO GROUND LESSOR ESTOPPEL CERTIFICATE

(Copy of Lease)

See Attached

LEASE

BETWEEN CITY OF REDONDO BEACH

AND

RG/BASCOM HARBOR COVE APARTMENTS, LLC

Commencement Date: September 1, 2007

LEASE

This Lease ("Lease") is made and entered into effective as of September 1, 2007, by and between Lessor and Lessee with respect to certain premises described on **Exhibit A** and further defined herein.

1. Definitions

The following are definitions applicable to this Lease:

(a) Annual Financial Statement: balance sheet, income and other financial statements prepared or audited by an independent certified public accountant, reflecting all business transacted on or from the Premises by Lessee and its Sublessees during the preceding calendar year;

(b) Applicable Percentage: the percentage applicable to each permitted use (specified in paragraphs 6.1 and 6.2 below) in calculating Percentage Rent. The initial Applicable Percentage rate for each category of permitted use is set forth in **Exhibit B** attached hereto, subject to adjustment as provided in Paragraph 5.9 below:

(c) Audit Charge: Audit costs, including all reasonable outside accounting, auditing, bookkeeping and computer fees and expenses, administrative, financial and economic consultant fees, related legal fees, and the reasonable value of the services provided by Lessor's employees, elected officials, lease administrators and/or auditors and in-house counsel;

(d) Bankruptcy Code: applicable federal bankruptcy laws;

(e) Base Value: For so long as the original Lessee is the owner of the leasehold created hereby, Base Value shall be the sum of (a) the greater of (1) Twenty-Six Million Four Hundred Nine Thousand One Hundred Dollars ($ 26,409,100) prior to the completion of the Initial Renovation or (2) Thirty Million Six Hundred Fifty Thousand Dollars ($ 30,650,000) upon completion of the Initial Renovation, and (b) all sums actually expended for Base Value Increase Improvements by the original Lessee. Upon any conveyance or assignment of the leasehold, including, without limitation, a conveyance effected by a Transfer, Base Value shall be adjusted to be the sum of (x) the purchase price paid by any successor owner of Lessee's leasehold interest in the Premises, and (y) all sums actually expended for Base Value Increase Improvements by such successor owner.

(f) Base Value Increase Improvements: those Permitted Capital Improvements that significantly increase the capacity, useful life or economy of operation of the Improvements or their major systems, or otherwise constitute a significant upgrade or addition to the Improvements then existing.

(g) Capital Improvement Fund: an impound account to be created, funded and held by Lessee of a sum equal to one percent (1%) of Gross Receipts each month and which shall be used only for Permitted Capital Expenditures (provided, however, that with respect to the Chart House Sublease, the applicable amount shall be calculated as 1% of the rent paid by the Sublessee that is not passed through to Lessor);

(h) CEQA: California Environmental Quality Act;

(i) Chart House Sublease: That certain Amended Sublease with an effective date of November 1, 1987, originally between Harbor Cove Investment, Ltd., a California limited partnership and Chart House, Inc. a Delaware corporation, as the original "Lessee" thereunder, pursuant to which the restaurant improvements on the Premises are currently being run by CHLN, Inc., a Delaware corporation, as a "Chart House" restaurant. As used herein, the term "Chart House Sublease" shall not include any extension of the term thereof (except for the exercise of any existing extension options) or modification not approved by Lessor, if such extension or modification occurs after May 1, 2007, and the Chart House Sublease, for all purposes hereunder, shall be deemed to expire on September 29, 2034.

(j) Coastal Commission: California Coastal Commission;

(k) Commencement Date: September1, 2007, provided Lessor or Lessee has delivered to the other party a fully executed Lease on or before that date and, if not, the first day of the month following the date on which both parties shall be in possession of a fully executed Lease;

(l) Constituent Member: an entity holding an ownership interest in Lessee. At the time of execution hereof, the Constituent Members are Commons Apartment, LLC, a California limited liability company, and Rockpoint Real Estate Special Fund, L.P., a Delaware limited partnership;

(m) CPI Index: Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for All Urban Consumers, Los Angeles - Riverside - Orange County, California (all items), or its successor index;

(n) Deposit: Twenty-Six Thousand Five Hundred Thirty-Five and 79/100 Dollars ($26,535.79), consisting of the sum of the Old Deposit and New Deposit;

(o) Execution Payment: Four Hundred Thousand Dollars ($400,000);

(p) Fair Market Value: market value, as defined by the current edition of the Appraisal Standards Board of the Appraisal Foundation, Uniform Standards of Professional Appraisal Practice (Washington, D.C.), or its successor;

(q) First Class Condition and Repair: a standard of maintenance at least equal to the standard maintained for similar uses in other publicly-owned marinas and harbor areas in Southern California such as Marina del Rey and Newport Beach, and in any event consistent with the standards normally observed by operators of similar types of properties seeking to maximize revenues from the operation of such properties;

(r) Force Majeure: an occurrence beyond the control and without the fault or negligence of the party affected and by which said party is unable to prevent or provide against by exercise of reasonable diligence, including acts of God or the public enemy, expropriation or confiscation of facilities, changes in applicable law, war, legal disputes, rebellion, sabotage, riots, floods, unusually severe weather, fires, explosions, or other catastrophes, strikes or lockouts, or similar occurrences;

(s) Gross Receipts: the total amount of all revenue actually received by Lessee or any Sublessee from leases of facilities and sales of merchandise and services made in, upon, or from the Premises, whether made by Lessee or by an agent, a Sublessee (as defined below), licensee or concessionaire of Lessee, whether for cash or credit, whether delivered from the Premises or elsewhere, including, without limitation, rentals, fees, licenses, royalties, and other payments of any kind (but not including Passthrough Rental). If any apartment units are provided by Lessee to any person at no rent or at a rent below the prevailing rates in the Premises for such a unit, then Lessee shall be deemed to have received the prevailing rent; provided, however, that Lessee may provide a maximum of two such units to employees without being deemed to have received any rent for such units.

To the extent Lessee or any agent, Sublessee, or concessionaire of Lessee other than the operator of the Chart House restaurant (a "Multi-facility Entity") derives revenue from membership fees or similar fees that permit access to one or more facilities outside the Premises as well as a facility within the Premises, e.g. a membership health club with on and off Premises locations, Lessor may, in Lessor's reasonable discretion, require the Multi-facility Entity to include a reasonable portion of such revenue in Gross Receipts, regardless of whether such revenues are charged or collected on the Premises or not. Lessee shall make reasonable efforts, including filing and pursuing suit, to cause the Multifacility Entity to provide to Lessor such records and other evidence as Lessor may reasonably require to enable Lessor to determine the appropriate proportion to be included in Gross Receipts. The failure of Lessor to require such an allocation in any year shall not be deemed a waiver of Lessor's right to require such an allocation in any other year; similarly, Lessor's determination of the appropriate proportion for one year shall not impair the right of Lessor to determine a different of appropriate proportion for any other year.

The following shall not be included in Gross Receipts:

(i) Sales taxes collected from customers and paid by Lessee, its agents, Sublessees, concessionaires or licensees;

(ii) Refundable deposits, unless converted to a sale or nonrefundable deposit;

(iii) Tips, gratuities and reasonable service fees paid to employees, however paid (including by credit card), so long as such service fees are separately stated on customer's bills, paid to employees without deduction (except taxes or similar deductions required by law), and do not replace wages previously paid to any such employees or comparable employees;

(iv) Credit and cash refunds made on any sale;

(v) Property tax reimbursements paid to Lessee by any Sublessees, provided that such reimbursements are no greater than an allocable portion of property taxes imposed on Lessee and do not replace rental that would otherwise be paid to Lessee;

(vi) Reimbursements paid to Lessee by the operator of the Chart House restaurant for its portion of the King Harbor Association fees;

(viii) Funds paid to Lessee by insurers arising from insured losses (other than rental interruption or business interruption insurance), to the extent such payments do not exceed actual losses and are spent on repairs or improvements to the Premises;

(ix) Proceeds from condemnation or eminent domain.

(x) If any portion of the Premises is subleased for office use, the revenue received and/or generated by the office user.

(s) Harbor Area: the area commonly known as Redondo Beach King Harbor, which includes tide and submerged lands and uplands, of which the Premises is a part;

(t) Harbor Director: Lessor's Harbor Director or his successor as defined by the City of Redondo Beach municipal code title 12 (as amended from time to time);

(u) Hazardous Substance: any substance, the presence of which on the Premises is (i) potentially injurious to the public health, safety or welfare, the environment on the Premises, or (ii) regulated or monitored by any governmental authority, or (iii) a potential

basis for liability of Lessor to any governmental agency or third party, or (iv) a potential basis for cancellation of any insurance policy covering the Premises, or (v) petroleum and petroleum products and fractions thereof;

(v) Improvements: all buildings, structures, installations and other improvements on the Premises, except trade fixtures owned or installed by or on behalf of Lessee or its Sublessees;

(w) Initial Renovation: the renovation work described in **Exhibit C** attached hereto;

(x) Initial Rental Adjustment Date: October 1, 2008;

(y) Initial Rental Period: the period ending on September 30, 2008;

(z) Institutional Lender: Any person being granted a purchase money mortgage, any insurance company, savings, and loan association, commercial bank, mutual savings bank, pension fund, welfare fund, retirement fund, endowment fund, fraternal organization, college, university, commercial lender which regularly makes first mortgage loans, or charitable organization or any combination thereof or entity controlled thereby which has net assets of not less than One Hundred Million Dollars;

(aa) Lease Term: the term of this Lease, which shall be fifty-five (55) years, commencing on the Commencement Date and ending on the fifty-fifth (55th) anniversary thereof;

(ab) Lender: any lender whose loan is secured by a mortgage, deed of trust, or other security interest in Lessee's leasehold interest in the Premises, including any Institutional Lender;

(ac) Lessee: RG/Bascom Harbor Cove Apartments, LLC, a Delaware limited liability company, its permitted successors and assigns;

(ad) Lessor: The City of Redondo Beach, a chartered municipal corporation;

(ae) Lessor Costs: Reasonable legal, accounting, and other professional consulting fees and expenses incurred or paid by Lessor, including the value of services provided by employees of Lessor, its officers, elected officials, in-house counsel, and lease administrators;

(af) Lessor Parties: Lessor, its officers, elected officials, agents, attorneys, employees, or volunteers;

(ag) Minimum Monthly Rental: Twenty-Four Thousand Seven Hundred Thirty-Five and 79/100 Dollars ($24,735.79), subject to adjustment as set forth herein;

(ah) Monthly Financial Statement: a statement in the form reasonably prescribed by Lessor and certified as correct by Lessee, which sets forth the Gross Receipts of each separate business of Lessee and any Sublessee operating on the Premises for the month just concluded;

(ai) Net Financing Proceeds: for purposes of calculating Appreciation Rent only, Net Financing Proceeds shall mean (a) the principal amount of the loan (net of transaction and closing costs, including, without limitation, prepayment premiums or penalties and defeasance costs) less (b) the greatest of the following: (i) the Base Values (ii) the principal amount of any existing financing that is paid off by the proceeds of the loan (which may include a partial payoff, but only to the extent of the amount paid off); or (iii) the principal amount of any previous financing as to which the Lessor was paid Appreciation Rent;

(aj) Net Sale Proceeds: for purposes of calculating Appreciation Rent only, Net Sale Proceeds shall mean (a) the current cash value of all consideration paid or to be paid for the conveyance of the leasehold interest (net of transaction and closing costs), less (b) the greater of the following: (i) the Base Value; (ii) the principal amount of any previous financing as to which the Lessor was paid Appreciation Rent;

(ak) New Deposit: Twenty-Four Thousand Seven Hundred Thirty-Five and 79/100 Dollars ($24,735.79);

(al) Notice of Exercise of Right of First Offer: Lessor's written notice to Lessee of its decision to exercise a right of first offer following receipt of Notice of Intention to Offer from Lessee;

(am) Notice of Intention to Offer: Lessee's notice to Lessor of its intention to sell or assign Lessee's leasehold interest and which shall include in the notice reasonably detailed terms, including purchase price, financing requirements, closing requirements and material terms and conditions upon which Lessee will sell or assign its leasehold interest;

(an) Old Deposit: the sum of One Thousand Eight Hundred Dollars ($1,800.00) paid to Lessor as a security deposit for the Old Lease;

(ao) Old Lease: That certain Lease "A" dated September 30, 1968 made and entered into by and between Lessor, as "Lessor," and R. A. Watt Company, Inc., as "Lessee," as amended pursuant to that certain Revised First Amendment To Lease Between City of Redondo Beach And Harbor Cove, Ltd. dated December 20, 1971, that certain Amendment No. 2 To Lease Between The City of Redondo Beach And Harbor Cove, Ltd. dated June 17, 1974, that certain Settlement Agreement between the City of Redondo Beach and Harbor Cove Ltd. dated November 18, 1974, that certain Amendment No. 3 To Lease Between The City of Redondo Beach And Harbor Cove, Ltd. dated November 18, 1974, that certain

Amendment No. 4 To Lease Between The City of Redondo Beach And Harbor Cove, Ltd. dated April 16, 1984, that certain Amendment No. 5 To Lease Between The City of Redondo Beach And Harbor Cove Limited dated August 16, 1994, that certain Sixth Amendment To Lease Between The City of Redondo Beach And Harbor Cove Limited dated April 20, 1999, and that certain Seventh Amendment To Lease Between The City of Redondo Beach And Harbor Cove Apartments And Beach Club, L.P. dated December 16, 2003;

(ap) Passthrough Rental: payments of rent to Lessee pursuant to the Chart House Sublease (or any other agreement with the Sublessee thereunder) that are in turn delivered by Lessee to Lessor without deduction;

(aq) Percentage Rental: the sum described in section 5.2 below;

(ar) Percentage Rental Adjustment Date: the fifth (5th) anniversary of the Commencement Date and each five (5) year anniversary following that date;

(as) Permitted Capital Expenditures: expenditures for Permitted Capital Improvements;

(at) Permitted Capital Improvements: additions, replacements, renovations or significant upgrades of or to the Improvements on the Premises that are approved in advance by the Harbor Director, including building exteriors and major building systems (such as HVAC, mechanical, electrical, plumbing, elevators, security, communications, structural, or roof), but not including any work included in the Initial Renovation. Permitted Capital Improvements shall not include the cost of periodic, recurring, or ordinary expenditures, repairs, or maintenance that keep the buildings or their major systems in an ordinarily efficient operating condition, but that do not significantly add to their value or appreciably prolong their useful life. Permitted Capital Improvements must constitute capital replacements, improvements, or equipment under generally accepted accounting principles consistently applied, and shall not include costs for any necessary repairs to remedy any broken or damaged Improvements;

(au) Permitted Subsequent Renovations: renovations and construction work that benefit the Premises and maintain the Improvements in a condition and appearance at least equal to competitive projects containing residential and restaurant facilities, and that are approved in advance by the Harbor Director;

(av) Plans: plans, specifications, or other designs;

(aw) Plan Revisions: any revisions, modifications, or corrections to Plans, either proposed by Lessee or requested by Lessor;

(ax) Premises: those parcels of land and/or water (the "Premises"), legally described in **Exhibit A** attached hereto;

(ay) Public Funding: Funding provided by Lessor or by any other governmental entity such as a county, state, or the federal government;

(az) Records: complete and accurate books, records and accounts of Gross Receipts and all financial transactions for all business and commercial activities of any kind conducted on or connected with the Premises, including all transactions of Lessee and its Sublessees, which must be supported by source documents such as sales slips, cash register tapes, computerized sales records, purchase invoices, or other pertinent documents, including contracts and agreements related to the financial transactions;

(ba) Renovation Fund: an impound account to be created, funded and held by or on behalf of Lessee, of a sum equal to one percent (1%) of Gross Receipts each month and which shall be used only for Permitted Subsequent Renovations (provided, however, that with respect to the Chart House Sublease, the applicable amount shall be calculated as 1% of the rent paid by the Sublessee that is not passed through to Lessor);

(bb) Restaurant Improvements: that certain structure currently operated as a Chart House restaurant;

(bc) Restoration: the reasonable costs and expenses of restoring the Premises to the surrender condition as specified in Paragraph 8.1 (c);

(bd) Sublessees: any and all businesses and individuals occupying or using any portion of the improvements on the Premises for purposes of conducting business, whether pursuant to a license, a sublease, or an occupancy agreement of any kind. The term "Sublessees" shall not include residential occupants of any apartment unit, or the occupants of marina slips, hotel rooms, or meeting rooms and other public spaces for group meetings;

(be) Subsequent Rental Period: each successive three (3) year period succeeding the Initial Rental Period;

(bf) Transfer: any sale, transfer, conversion, redemption or encumbrance of any voting stock or ownership interest in Lessee, either directly or indirectly, which either separately or in the aggregate with other such sales, transfers, conversions, redemptions, or encumbrances after the effective date of this Lease, results in a change in control of Lessee;

2. Recitals

(a) The State of California has granted to Lessor certain tide lands on condition that Lessor develop, improve and operate such lands as a harbor;

(b) Lessor has developed, improved and is currently operating the Harbor Area;

(c) The Harbor Area was developed and constructed in large part prior to enactment of CEQA. The parties have each independently concluded that the leasing of parcels in the Harbor Area and the granting of entitlements for the further development of the Harbor Area, as contemplated by this Lease, would not be a "project" within the meaning of CEQA therefore will not require environmental assessment and study under CEQA;

(d) Lessee currently leases the Premises, which is a portion of the Harbor Area, from Lessor, pursuant to the Old Lease;

(e) Lessee and Lessor now desire to enter into a new lease for the Premises in order to maintain, further develop and improve the Harbor Area and to provide facilities for the accommodation of the public in the Harbor Area.

3. Lease of Premises

Lessor hereby leases the Premises to Lessee, and Lessee leases the Premises from Lessor, for the period of time and upon the terms and conditions set forth herein. This Lease and all rights and privileges granted Lessee in the Premises are subject to all covenants, conditions, restrictions and exceptions of record or apparent, including those which are set out in the grant referred to Article 2, above, and the Charter of Lessor, as originally adopted and thereafter amended, or as may hereafter be amended from time to time, and all applicable laws, ordinances, codes and regulations.

4. Term

(a) The term of this Lease shall be the Lease Term, subject to prior termination as herein provided.

(b) Upon the commencement of the Term of this Lease, the Old Lease shall be terminated automatically and this Lease shall supersede the Old Lease; however, the parties shall execute and deliver such documentation as may be reasonably necessary to evidence the termination of the Old Lease upon commencement of this Lease.

5. Rent

In consideration for the leasing of the Premises to Lessee by Lessor and Lessor's obligations under this Lease, Lessee shall pay Lessor rent as follows:

5.1 Minimum Monthly Rental

(a) During the Initial Rental Period Lessee agrees to pay to Lessor in advance on or before the first day of each calendar month, the Minimum Monthly Rental. The Minimum Monthly Rental is subject to adjustment as provided in this Lease.

5.2. Percentage Rental

(a) During the Lease Term, Lessee shall also pay to Lessor, at the times and in the manner hereinafter specified, Percentage Rental to the extent that the aggregate amount of Percentage Rental calculated under this paragraph exceeds the Minimum Monthly Rental paid by Lessee. The Percentage Rental shall be calculated by multiplying the Gross Receipts derived from the Premises by the Applicable Percentage for the use generating such Gross Receipts. Rent received by Lessee from a Sublessee (other than a Sublessee under a sublease of office space) shall not be included in Gross Receipts; provided, however, that, with respect to the portion of the Premises subject to the Chart House Sublease, the Percentage Rental shall be the greater of (i) the product of the Sublessee's Gross Receipts times the Applicable Percentage for the use that generated the Gross Receipts or (ii) ten percent (10%) the product of Lessee's Gross Receipts with respect to that Sublessee (i.e., the rent paid by the Sublessee that is not passed through to Lessor).

(b) The following are provided as examples of Percentage Rental as provided in Paragraph (a) above:

(i) If the rents received by Lessee from residential tenants of an apartment building on the Premises total Twenty Thousand Dollars ($20,000) in a month, and the Applicable Percentage for residential rentals is 10.5%, the Percentage Rent for that month for that portion of the Premises is $2,100 ($20,000 x 10.5%).

(ii) If the Chart House Sublessee generates Gross Receipts of $100,000 in a month and the Applicable Percentage with respect to those Gross Receipts is 3.5%, and the Sublessee pays $4,000 in rent to Lessee, then the Percentage Rent for the portion of the Premises occupied by that Sublessee is $3,500 (because $100,000 times 3.5%, or $3,500, is greater than $4,000 times 10%, or $400).

5.3. Appreciation Rent

In addition to the Minimum Monthly Rental and Percentage Rental specified above, Lessee shall pay to Lessor such amounts as may be calculated and determined to be due as and for Appreciation Rent pursuant to, at the times and in the manner specified in Article 18 below. Lender shall not pay Appreciation Rent at the time of foreclosure; however, any Lender

shall pay Appreciation Rent in the event of a Transfer where and on the amount that the sale price paid to Lender (net of transaction and closing costs) from the subsequent buyer exceeds the Base Value.

5.4. Penalties, Late Charges, Interest and Place of Payment

If Lessee fails to make any payment to Lessor of any sum of money when due under this Lease, and such delinquency continues for ten (10) days following the due date thereof, there shall be imposed a late charge equal to four percent (4%) of the payment, which shall be added to the amount due and the total sum shall become immediately due and payable to Lessor. An interest charge equal to eight percent (8%) per year or the maximum rate allowed by law, whichever rate is less, of the total sum due and unpaid, (including the principal amount, late charges and any interest previously assessed), shall be added for each month, or portion thereof, that such amount remains unpaid, but the total interest charges shall not exceed the maximum amount permitted by law. All payments to Lessor required under this Lease shall be made at the office of the City Treasurer of Lessor.

5.5. Maintenance of Records

(a) Lessee shall at all times keep Records.

(b) All retail sales and charges shall be recorded by means of cash registers, point-of-sale computers or other comparable devices which display to the customer the amount of the transaction and automatically issue a sales receipt. The registers shall be equipped with devices that lock in sales totals and other transaction records, or with counters that are not resettable and that record transaction numbers and sales details. Totals registered shall be read and recorded at the beginning and end of each day. If point-of-sale computers are used, the software must not permit modification of transactions once they are recorded (to the extent such software is readily available at a commercially reasonable cost). Back-up copies of all such data, records and reports must be made at least weekly in a computer-readable medium and stored off-site.

(c) In the event of admission charges or fees, Lessee shall issue serially numbered tickets for each such admission or fee and shall keep an adequate and accurate record of such tickets, both issued and unissued.

(d) Lessee shall keep all Records related to this Lease at one location within either the County of Los Angeles, or the County of Orange. Lessor may, upon giving reasonable advance written notice, examine and audit the Records at any and all reasonable times during normal business hours. Lessor may disclose publicly all information, data and documents made available to Lessor in connection with the exercise of its right to examine and audit such Records. All Records, including any sales tax reports that Lessee and its Subtenants

may be required to furnish to any governmental agency, shall be open to the inspection of and copying by Lessor, Lessor's auditor, or other authorized representative or agent of Lessor at all reasonable times during normal business hours, provided that Lessee or its Sublessees (as applicable) are given reasonable advance written notice of any such inspection or copying.

(e) The requirements of this Paragraph 5.5 shall not apply to the operations under the Chart House Sublease, except to the extent that the Sublessee thereunder is required to provide information and retain Records thereunder; provided, however, that, if the Sublessee thereunder does not keep Records in accordance with the provisions of this Paragraph 5.5 and permit inspection thereof by Lessor, Lessee shall require an annual audit of the Sublessee's books and records. The Records pertaining to the operations under the Chart House Sublease may be located at the headquarters offices of the operator thereunder.

5.6. Monthly and Annual Statements by Lessee, Verification of Records, Computation, Payment and Correction of Additional Percentage Rental

(a) Within twenty (20) days after the end of each calendar month during the Lease Term, Lessee shall furnish Lessor with the Monthly Financial Statement. Concurrently with delivery of each Monthly Financial Statement, Lessee shall pay Lessor the amount of additional Percentage Rental due, if any, to the extent such percentage rental exceeds the Minimum Monthly Rental already paid for such month.

(b) Within one hundred eighty (180) calendar days after the end of each calendar year during the Lease Term, Lessee shall submit to Lessor an Annual Financial Statement. The certified public accountant shall attest that the Annual Financial Statements are accurate representations of Lessee's Records as reported for income tax purposes. With respect to the Gross Receipts derived by the operator of the Restaurant Improvements, the certification may state that it is being made in reliance upon the records submitted to Lessee by the operator of the Restaurant Improvements pursuant to the Chart House Sublease, but only until such time as the Chart House Sublease is renewed, materially amended, or terminated; thereafter, any operator of the Restaurant Improvements shall comply with the provisions of this section. Within each business category or permitted use, Lessee shall separately identify each source of Gross Receipts by business name (including Lessee and its Sublessees conducting any business activities on the Premises), or other appropriate identification, specifying the exact amount of Gross Receipts derived from that source during the calendar year. The statement shall also specify all amounts received by Lessee from its Sublessees, including a separate specification of all amounts paid as deposits, fees, rents, common area charges, monetary equivalents, pass-through rents, or other considerations with a monetary equivalent.

(c) Concurrently with the Annual Financial Statement, Lessee shall submit to Lessor a statement, certified as to its accuracy by an independent certified public accountant, classifying the total Gross Receipts from the Premises for the calendar year according to the categories of business or permitted use established for Percentage Rental purposes. Within each business category or permitted use, Lessee shall separately identify each source of Gross Receipts by business name (including Lessee and any Sublessees conducting business activities on the Premises), or other appropriate identification, specifying the exact amount of Gross Receipts derived from that source during the calendar year. The statement shall also specify all amounts received by Lessee from its Sublessees, including a separate specification of all amounts paid as deposits, fees, rents, common area charges, monetary equivalents, pass through rents or other considerations with a monetary equivalent. Copies of all Form 1099's showing payments to Lessee which are reportable as Gross Receipts under this Lease shall be attached to the certified statement.

(d) If the Annual Financial Statement discloses that the percentage rental on the Gross Receipts from the Premises for the preceding calendar year exceeds the total amount of Minimum Monthly and Percentage Rentals paid by Lessee during the relevant period, Lessee shall pay the amount of the deficiency in additional Percentage Rental to Lessor concurrently with the submission of the Annual Financial Statement. If the Annual Financial Statement discloses an overpayment of percentage rental for the preceding calendar year, the amount of such overpayment shall be retained by Lessor, bear no interest, and be credited against future rent under this Lease as and when rent becomes payable to Lessor.

(e) Lessor may audit any Monthly Financial Statement or Annual Financial Statement at any time, and Lessee shall provide full access to all its books and records as provided herein. If any audit conducted by Lessor discloses that the Gross Receipts reported by Lessee for any calendar month or calendar year was understated by five percent (5%), or more, Lessee shall promptly pay the Audit Charge in addition to any amounts due as rent; otherwise Lessor shall bear the cost. The Audit Charge shall be sufficiently detailed so that Lessee may determine the fees for the various participants in the audit for whom Lessee is required to pay. Prior to Lessee's obligation to pay any Audit Charge, Lessor shall have provided Lessee with a reasonable opportunity to review and discuss the audit with Lessor and the auditor.

(f) On written notice, Lessee may require that Lessor conduct an audit of all rentals paid and payable under this Lease. Lessee shall pay all costs and expenses of any such audit as specified in paragraph (d) above. The audit shall be completed within a reasonable time after receipt of said written notice and all documents necessary therefor.

5.7. Acceptance Not Waiver; Retention of Records

(a) Lessor's acceptance of any money paid by Lessee under this Lease, whether shown by any statement furnished by Lessee or otherwise specified in this Lease, shall

not constitute an admission of the accuracy or the sufficiency of the amount of such payment. Lessor may, at any time within five (5) years after the receipt of any such payment, question the sufficiency of the amount thereof and/or the accuracy of any underlying statement furnished by Lessee.

(b) Lessee shall retain, for five (5) years after submission to Lessor of any such statement, all of Lessee's Records relating to the Gross Receipts shown by any such statement, and shall make them available to Lessor for examination as provided herein during that period. Lessee shall require that all its Sublessees keep, maintain and retain records of their business activities conducted on the Premises for such five (5) year period, which records shall be made available to Lessor, Lessor's auditor, or other authorized representative or agent of Lessor for inspection and copying (at Lessor's expense) as provided herein. Lessor's request for access to a Sublessee's records may be made directly by Lessor to the Sublessee, but Lessor shall give Lessee advance or simultaneous notice thereof.

(c) Lessee shall also furnish, or require its Sublessees to furnish, all information reasonably requested by Lessor relating to the costs, expenses, earnings and profits of Lessee and/or its Sublessees related in any way to operations conducted on or connected with the Premises.

5.8. Adjustment of Minimum Monthly Rental

(a) On the Initial Rental Adjustment Date, the Minimum Monthly Rental shall be adjusted as follows: the average of the combined Minimum Monthly Rentals and Percentage Rentals payable during the immediately preceding five (5) years of the Lease Term shall be calculated. The Minimum Monthly Rental to be paid in equal monthly installments for the five (5) year period next succeeding the Initial Rental Adjustment Date ("Subsequent Rental Period") shall be the greater of (a) an amount equal to seventy-five percent (75%) of such average total rental or (b) the current Minimum Monthly Rental adjusted by CPI, but in no event less than the Minimum Monthly Rental paid by Lessee during the previous five years.

(b) At the expiration of each succeeding five (5) year period of the Lease Term following a rental adjustment date specified in subparagraph (i) above the Minimum Monthly Rental shall again be subject to adjustment in the manner provided above, except that the average total rentals for purposes of adjustment of the Minimum Monthly Rental shall be the rentals paid during the immediately preceding five (5) year period, and the adjusted rent shall in no event be less than the Minimum Monthly Rental paid by Lessee during the previous Subsequent Rental Period.

(c) To the extent there is a delay in calculating and paying the Minimum Monthly Rental for any subsequent rental period, the first payment after such calculation is made shall retroactively bring current Minimum Monthly Rental payments.

5.9. Adjustment and Renegotiation of Percentage Rental

At each Percentage Rental Adjustment Date, and at the expiration of each five (5) year period thereafter, Lessor and Lessee agree to renegotiate an adjustment in the Applicable Percentage rates applicable to Gross Receipts for each permitted use. Such renegotiation shall be conducted in accordance with the following procedure:

(a) No more than sixty (60) and no fewer than thirty (30) days before each Percentage Rental Adjustment Date, each party shall submit to the other party in writing its proposed adjustment, if any, in the Percentage Rental rates applicable to Gross Receipts for each permitted use. Within thirty (30) days after receipt of such written proposal, the party receiving the proposed adjustment shall accept or reject such proposal. The failure of either Lessee or Lessor to respond in writing to the other party within such period shall be deemed a rejection of the other party's written proposal. Except as to a deemed rejection pursuant to the preceding sentence, any response must be in writing. If either of such proposals is rejected, the party submitting the rejected proposal shall have seven (7) days from the date of written notice of such rejection, or deemed rejection, to submit a revised or modified proposal. The party receiving said revised or modified proposal shall then have seven (7) days within which to accept or reject such proposal. Lessor and Lessee shall enter into such negotiations in good faith and shall not unreasonably withhold their consent to or approval of any reasonable proposal of the other party.

(b) In the event that the parties, within thirty (30) days after the expiration of the Percentage Rental Adjustment Date, do not reach an agreement on the amount of increase or decrease, if any, of the Applicable Percentage Rental rates, the adjustment of the additional percentage rental rates for the following five (5) year period shall be determined by arbitration as hereinafter set forth.

ARBITRATION OF PERCENTAGE RENTAL RENEGOTIATION DISPUTES

(i) Within thirty (30) days after the expiration of the time period set forth in this paragraph (b), Lessor and Lessee shall attempt to jointly appoint a single neutral arbitrator to determine the Fair Percentage Rental Rates to be charged by Lessor and paid by Lessee for the uses, businesses, activities and operations conducted by Lessee and its Subtenants on the Premises. The fees of such arbitrator shall be divided equally between the parties. If within such thirty (30) day period the parties are unable to agree on one arbitrator, within the next seven (7) days, each party shall appoint one arbitrator and the two arbitrators together shall then determine the Fair Percentage Rental Rates to be paid by Lessee for the uses, businesses, activities, and operations conducted by Lessee and its Subtenants upon the Premises. Each party shall pay the fees of the arbitrator appointed by it. For purposes hereof, the term "Fair Percentage Rental Rates" shall mean a percentage rental rate for each of the permitted uses under this Lease that, when applied to the Gross Receipts generated from such use from the Premises, would yield in the aggregate a monthly rent for the Premises which is equal to the Premises' fair market rental value, taking into account all of the terms and

conditions of this Lease, and the fact that Lessee owns the improvements during the term of the Lease.

(ii) If, within sixty (60) days of their appointment, the two (2) arbitrators so appointed are unable to agree on all Fair Percentage Rental Rates for the uses and operations conducted by Lessee and its Subtenants on the Premises, then they shall, in writing, immediately appoint a third arbitrator and the third arbitrator so appointed shall determine the Fair Percentage Rental Rates in the manner provided in subparagraph (iii) of this paragraph (b), for the uses, businesses, activities and operations conducted by Lessee and its Subtenants on the Premises within sixty (60) calendar days of the appointment of the third arbitrator. The fees of the third arbitrator shall be divided equally between the parties.

(iii) If the Fair Percentage Rental Rates are to be determined by the third arbitrator so appointed, the arbitrators appointed by the separate parties shall, within seven (7) days, jointly prepare a statement of the disputed percentage rental rates to be determined and the final offer by each party with respect to each percentage rental rate in dispute and shall deliver same to the third arbitrator within such seven (7) day period. The third arbitrator, after conducting such hearing as he may in his sole discretion determine to be necessary or appropriate, shall determine the percentage rental rates in dispute, which determination shall be made within twenty-one (21) days after receipt of the joint statement. In making such determination, the third arbitrator may only select the final offer of either Lessee or Lessor as to each percentage rental rate in dispute, and no other alternative or compromise percentage rental rate may be selected, unless the parties otherwise agree in writing that such a determination shall be within the power and authority of the arbitrator to make.

(iv) The arbitrator or arbitrators shall determine the Fair Percentage Rental Rates, assuming that Lessee and its Subtenants are conducting operations from the Premises in a manner reasonably calculated to maximize revenues. Said arbitrator or arbitrators shall consider only the Fair Percentage Rental Rates to be paid for the next succeeding five (5) year period during the Lease Term and shall not take into account any past occurrences, breaches, defaults or claims of Lessor or Lessee, one against the other. The arbitrator or arbitrators shall reduce the decision to writing and shall deliver to each of the parties a statement of that decision, specifying each of the Fair Percentage Rental Rates determined by the arbitrator(s). The arbitrator(s) so appointed pursuant to the foregoing provisions shall have at least seven (7) years experience in appraising fair market rents under ground leases with uses similar to those conducted at the Premises. Should any arbitrator(s) be made a party to any legal proceedings arising out of this Article, Lessor and Lessee shall jointly hold said arbitrator(s) harmless and indemnify them against any and all costs and expenses incurred in said proceedings.

NOTICE: BY INITIALING IN THE SPACE BELOW, YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF PERCENTAGE RENTAL RENEGOTIATION DISPUTES"

PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF PERCENTAGE RENTAL RENEGOTIATION DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY. WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF PERCENTAGE RENTAL RENEGOTIATION DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

_____ Lessor's Initials

_____ Lessee's Initials

(c) The determination of adjustment, if any, Percentage Rental rates pursuant to this Article shall be final and conclusive and shall apply as of the first day of the period for which the adjustment in said rental rates has been made and shall continue in force until the expiration of the next five (5) year period during the Lease Term or until otherwise increased or decreased pursuant to other provisions of this Lease. Lessee agrees to pay Percentage Rental at the prior rates until the new Percentage Rental rates are determined, at which time the parties will make a retroactive cash adjustment in the amount paid to reflect the new Percentage Rental rates.

(d) At the expiration of each succeeding five (5) year period following a percentage rental rate adjustment date specified in paragraph (a), above, of this Article, the Applicable Percentage rates shall again be subject to adjustment in the manner hereinabove provided.

5.10. Lessee's Covenant

Lessee shall use commercially reasonable efforts to maximize the Gross Receipts derived from all activities and uses conducted or permitted to be conducted on the Premises.

5.11. Negation of Partnership

Nothing in this Lease, including the provisions relating to Appreciation Rent, Percentage Rent and standards of conduct related to Lessee's employees, shall be construed to render Lessor and Lessee in any way or for any purpose a partner, joint venturer, fiduciary or associate in any relationship with each other, The relationship of Lessor and Lessee is landlord and tenant, and this Lease shall not be construed to authorize either party to act as agent for the other, except as otherwise expressly provided in this Lease.

5.12. No Deduction or Offset

All payments of rent of any kind under this Lease shall be made without deduction or offset, and without abatement except as specifically provided in this Lease.

5.13. Execution Payment

Upon the execution of this Lease by both parties, Lessee shall pay Lessor, as additional consideration for agreeing to enter into this Lease, the amount of the Execution Payment. Such sum shall be deemed fully earned and nonrefundable execution of this Lease by both parties and shall not apply to payment of rent of any kind. Lessee may, at its option, elect to pay the Execution Payment in up to five equal annual installments, payable on the date of the occurrence of the Commencement Date and on the next four anniversaries thereof, bearing interest on the unpaid balance at the Prime Rate plus three percent (3%). For purpose hereof, the "Prime Rate" shall be the Prime Rate published in the Wall Street Journal on the date of mutual execution and thereafter on each anniversary thereof. If Lessee elects to pay the Execution Payment in two or more installments, Lessee shall have the right to accelerate the payment of one or more of the outstanding installments without paying a prepayment fee or penalty of any kind.

6. Uses

6.1. Permitted Uses

Lessee shall not use, or permit the Premises or any part thereof to be used, for any purpose, other than the purposes set forth in **Exhibit B**. The permitted uses for the Premises are non-exclusive to Lessee as to the Harbor Area and Lessor reserves the right to conduct or to permit other lessees to conduct or permit the same or similar uses on property leased from Lessor in the Harbor Area. Notwithstanding any provision contained in this Lease to the contrary, no portion of the Premises shall be used for any purpose that will interfere with commerce, navigation or fishery, or be inconsistent with any trusts under

which the Premises are now or may hereafter be held by Lessor.

6.2. Other Uses

Lessee may, with Lessor's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed, use the Premises for any other lawful purposes in addition to or in place of those enumerated above; provided, however, that prior to the commencement of such use by Lessee, the parties shall have agreed in writing upon a Percentage Rental rate to be applied to such use, which agreement shall be in the form of an amendment to this Lease, duly executed by the parties. Lessor may also, in its reasonable discretion, specify, prescribe and/or approve the exact location on the Premises where Lessee or its Sublessees may conduct a particular use permitted under this Lease which is different than or in addition to the uses originally permitted under this Lease.

6.3. Use of Tidelands

If at any time during the Lease Term the tenancy permitted hereunder, without a default by Lessee, is or becomes inconsistent with the trust under which the Premises or any portion thereof are held by Lessor pursuant to the grant from the State of California, as determined by a court of competent jurisdiction, Lessor may terminate this Lease upon giving twelve (12) months written notice to Lessee of the details of the inconsistency and the basis therefor. If such inconsistency affects only a portion of the Premises, Lessor shall give Lessee notice of such inconsistency and Lessee shall have a reasonable time under the circumstances to turn that portion of the Premises into a consistent use; if Lessee does not do so, this Lease may be terminated upon such written notice only as to the portion of the Premises so affected and the Minimum Monthly Rental shall be abated in the proportion which Percentage Rental applicable to the portion of the Premises so affected payable hereunder for the full twelve (12) month period immediately preceding the month in which such notice is given bears to the total Percentage Rental payable hereunder for such twelve (12) month period.

7. Improvements To The Premises

7.1. Renovation of Existing Leasehold Improvements

(a) As a further and material part of the consideration for execution of this Lease, Lessee shall, at its sole cost and expense, complete the Initial Renovation as set forth herein.

(b) Lessee shall renovate all one hundred sixty-one (161) units, such renovation to include apartment interiors, building facades, interior and exterior common areas, landscaping, and hardscape, in accordance with the Renovation Plan attached hereto as

Exhibit C and incorporated herein. Lessee shall complete all exterior renovation within twenty-four (24) months of the date of mutual execution and delivery of this Lease, and shall complete interior renovations of at least eighty percent (80%) of the apartment units within thirty-six (36) months of the mutual execution and delivery of this Lease; provided, however, the forgoing timelines shall be extended for the period of delay, if any, resulting from the occurrence of Force Majeure. Lessee shall complete the renovation of the remaining twenty percent (20%) of the units within sixty (60) months of the mutual execution and delivery of this Lease; provided, however, said timeline shall be extended for the period of delay, if any, resulting from Force Majeure, or for delay caused by any tenant's instituting a legal challenge to his or her removal from the unit. Any failure by Lessee to complete the renovation according to this timetable shall constitute a breach of this Lease; upon written notice by Lessor of such a breach, Lessee shall have twenty (20) days to begin to cure the breach, and ninety (90) days to complete the cure. If Lessee fails to cure such breach, the Term of this Lease shall be automatically amended to expire on September 29, 2034 (but subject to Lessee's right to extend the Term for an additional five (5) years upon the same terms and conditions as contained in Article 26 of the Old Lease), but Lessor shall have no other remedies. Upon timely completion of all work required of Lessee hereunder, Lessor shall execute and record in form reasonably satisfactory to Lessee, an acknowledgment that such work has been timely completed, and that the provisions of this Paragraph 7.1 concerning an automatic amendment of the Term no longer apply.

(c) Lessee agrees to spend at least Four Million Dollars ($4,000,000.00) on "hard costs" with respect to such renovation, at least seventy percent (70%) of which shall be devoted to "value-added" improvements, as defined in **Exhibit D**. Such costs shall include certain costs incurred prior to execution of this Lease, as such costs are set forth on **Exhibit D**.

(d) All work required under the renovation program shall be subject to the approval of Lessor (which approval shall not be unreasonably withheld or delayed), and Lessee shall secure, at its own expense, all permits and other approvals required for said work, including all actions that may be required in order to comply with all requirements of CEQA and the California Coastal Act. Lessor hereby approves the work described in the Renovation Plan attached as **Exhibit C**.

7.2. Planning, Design and Construction of Additional Improvements

(a) If Lessee proposes to construct other improvements, alterations or modifications on the Premises during the Lease Term in addition to those specified in paragraph 7.1 above and those currently existing on the Premises, if any, Lessee shall first submit a written request for conceptual approval of such improvements by the Harbor Commission. The proposal shall include the proposed use and location thereof in relation to the particular portion of the Premises upon which Lessee proposes to construct such improvements. Concurrently therewith, Lessee shall pay Lessor a non-refundable

processing fee which shall be reasonable under the circumstances in light of the size, complexity and expertise required to review such improvements. If required, following approval of the proposed improvements by the Harbor Commission and other required City of Redondo Beach offices (which approval shall be delivered in writing) Lessee shall apply promptly to the Coastal Commission for approval of the proposed improvements. Thereafter, the procedure for submission of designs, plans, drawings and other documents for the additional improvements shall be as Lessor shall time to time reasonably specify in writing as requested by Lessee.

(b) In addition to all submissions to be made and approvals to be obtained by Lessee as required in this Article, Lessee must secure, at Lessee's sole cost and expense, all necessary permits and approvals from any other governmental entities and agencies with jurisdiction over the planning, design and construction of any additional improvements. Any approval by Lessor of any under this Article or any other provision of this Lease is given solely in Lessor's capacity as a landlord, and shall not constitute approval by Lessor, in its capacity as a public agency, of an application for any building or other permit. In its review of any Plans submitted by Lessee, Lessor shall be guided by the provisions of this Lease as well as the Building Code, design, architectural and construction standards applicable to the Premises and in force by the Lessor. In the event of an inconsistency or conflict between the terms and provisions of this Lease, the Building Code of Lessor, and other applicable standards, the terms and provisions of this Lease shall control and supersede such standards; provided, however, as between the Lease and the Building Code, the one with the most strict provisions relating to the conflicting terms shall control and provided, further, nothing herein shall allow design or construction on the Premises inconsistent with applicable law, code and regulations.

(c) If Lessor rejects or requests modifications in any Plans, it will notify Lessee in writing of the reasons for such rejection or request. If Lessor requests Plan Revisions, Lessee shall have forty-five (45) days from the request by Lessor to submit such Plan Revisions. If Lessee fails to submit any Plan Revisions within the specified period, such failure will be deemed a withdrawal of Lessee's request for approval, and all processing thereof by Lessor shall cease. If any proposed renovations or plans are disapproved as provided herein, then an alternate proposal may be submitted by Lessee, which alternate proposal shall be handled in the same manner as the initial proposed renovations.

(d) If Lessee withdraws, or is deemed to have withdrawn, its request for any approval under this Article, or if this Lease is terminated pursuant to its terms while a request for approval hereunder is pending, Lessee shall immediately deliver to Lessor, at Lessee's sole cost and expense, copies of all tests, studies, inspections, plans, blueprints, reports, investigations, renderings and other documents and things made or prepared by or for Lessee in connection with the request for approval, all of which documents shall thereafter be and become the property of Lessor, subject to any ownership rights of the authors of the same. Lessee shall transfer to Lessor, or Lessor's nominee, all permits, licenses, and other

approvals obtained by Lessee in connection with the proposed improvements on the Premises.

(e) The following shall apply to any request by Lessee for approval by the Harbor Director, whether for conceptual approval under sub-paragraph (a) or for approval of Plans under sub-paragraph (b). The Harbor Director's approval of any request for approval shall be deemed given if the Harbor Director fails to disapprove the request within thirty (30) calendar days of receipt of Lessee's written request; provided, however, that no such deemed approval shall be final unless, upon expiration of the thirty-day period, Lessee gives a second written notice, stating in boldface type that the thirty-day period has expired, and that approval will be deemed given hereunder if the Harbor Director thereafter fails to send written disapproval within fifteen (15) days after receipt of the second notice. If the Harbor Director gives written disapproval within the fifteen-day period, disapproval shall be deemed timely given and effective. If the Harbor Director fails to give written disapproval within the fifteen-day period, approval shall be deemed given.

(f) The provisions of this Paragraph 7.2 shall not apply to any alterations or improvements made by the Sublessee under the Chart House Sublease to the extent that such alterations or improvements do not require the consent of Lessee hereunder in its capacity as Lessor thereunder.

7.3. Utilities

(a) Lessee agrees that any utility company has the right, subject to Lessor's written approval, to place utility lines, cables, pipes, wires, poles, conduits, or ductwork where necessary, through or on the Premises in any manner which will not interfere with Lessee's and its Sublessees, concessionaires, licensees, tenants, customers and invitees use and enjoyment of the Premises. Lessee and Lessor shall each cooperate with the other in the prosecution or defense of any claims against or by any utility company related to the Premises.

(b) Lessee shall connect the utilities provided on or to the Premises to its facilities, and shall furnish, install and maintain, at its own expense, all necessary ducts, pipes, wires, cables, lines and conduits to service adequately its own installations and shall relocate at its cost and expense all existing utilities required to be relocated by reason of Lessee's development and operation of the Premises. All utilities shall be underground.

7.4. As-Built Plans and Substantial Compliance

Within ninety (90) days following completion of the construction of any improvements to or on the Premises required or permitted hereunder, Lessee shall furnish to Lessor a complete set of "as-built" plans depicting the improvements as constructed, which construction shall be in substantial compliance with approved working drawings.

7.5. Signs

Neither Lessee nor any of its Sublessees shall construct, maintain, or allow any sign upon the Premises except as approved by Lessor.

7.6. Capital Improvement Fund

Commencing no later than the second anniversary of the Commencement Date, Lessee shall create the Capital Improvement Fund, and thereafter shall deposit the required amount into such fund every month no later than the end of the succeeding month. Lessee shall furnish to Lessor an annual accounting of the Capital Improvement Fund no later than April 1 of each year. In addition, upon request of Lessor, Lessee shall provide Lessor with evidence of monthly deposits into the Capital Improvement Fund. The Capital Improvement Fund shall be fully expended for Permitted Capital Expenditures no later than ten (10) years prior to the termination of the Lease Term. The Capital Improvement Fund shall not be pledged to any third party, nor shall it be spent for any purposes other than Permitted Capital Expenditures.

8. Security

8.1. Security Deposit

(a) Lessee has deposited the Old Deposit with Lessor. Lessee shall deposit the New Deposit with Lessor on or before thirty days following the Commencement Date as additional security under this Lease. Together the Old Deposit and New Deposit shall equal Minimum Monthly Rental. Deposit shall be held by Lessor as a deposit to secure the performance of this Lease under Section 1950.7 of the California Civil Code. If at any time any of the rent or other sum payable by Lessee is overdue and unpaid, then Lessor may apply any portion of the Deposit to the payment of any such overdue rent or other sum. Upon any failure of Lessee to keep and perform all of the terms, covenants and conditions of this Lease, Lessor may apply all or part of the Deposit to compensate Lessor for all loss, cost, expense or damage sustained by Lessor due to such failure, including fees incurred on account of services rendered or work performed at the request of Lessor by independent accountants, attorneys and other consultants, or the value of services provided by

employees of Lessor, Lessor's elected officials, in-house counsel, lease administrators and/or lease auditors.

(b) If Lessor applies all or part of the Deposit for the payment of overdue rent or other sums payable by Lessee, then Lessee shall, within five (5) days after Lessor's written demand, remit to Lessor a sufficient amount in cash to restore the Deposit to its original amount.

(c) If Lessee complies with all of its obligations hereunder and promptly pays all sums payable by Lessee hereunder, Lessor shall return the Deposit in full to Lessee at the expiration or other termination of this Lease. Notwithstanding the foregoing, Lessor may retain the Deposit for a reasonable time after expiration or other termination of this Lease as security for the surrender of the Premises by Lessee in substantially the same condition as when first occupied by Lessee, taking into account subsequent construction, maintenance, repair, alteration, modification and modernization as required or allowed by this Lease. Lessor may apply as much of the Deposit as may be necessary to compensate Lessor for Restoration. If Lessor wishes to charge Lessee for the costs of Restoration, Lessor shall reasonably detail said charges in writing to Lessee, or Lessor shall within sixty (60) days following termination pay Lessee the Deposit. If Restoration costs exceed the amount of the Deposit, Lessee shall, within thirty (30) calendar days after receiving a written statement therefor from Lessor, pay Lessor such amount as may be specified in the statement as being reasonably necessary to restore the Premise.

(d) Lessor is not a trustee of the Deposit and may commingle it, use it in the ordinary course of business, transfer, or assign it. No interest shall accrue on the Deposit for the benefit of Lessee.

(e) The Deposit specified under this Paragraph 8.1 may be increased upon increases in the Minimum Monthly Rent in order to maintain an equivalent proportional relationship between the total Deposit and the applicable Minimum Monthly Rent. If Lessor determines additional amounts are so required, Lessor shall give Lessee written notice of such determination. Lessee shall pay the additional deposit amount specified by Lessor within thirty (30) days after Lessee receives the notice.

8.2. Security for Compliance with Commencement, Development, and Completion of Construction of Required and Additional Improvements or Alterations on the Premises

(a) Lessee shall utilize a draw and payment process during construction of improvements of the Premises that is consistent with sound construction management processes and real estate lending under the circumstances, taking into consideration the cost, duration, size, complexity, scope and contractors working on the improvements, including utilization of conditional and unconditional lien releases. The draw and

payment process shall be designed to protect the interests of Lessee and Lessor in the Premises, including from liens, and to complete the timely completion of the project. Satisfaction of the draw requirements of Lessee's lender shall be deemed compliance with the requirements of this sub-paragraph, provided such lender is an Institutional Lender.

(b) Unless expressly waived by written instrument signed by the Harbor Director and approved by the City Attorney for Lessor, if the construction involves Public Funding, Lessee shall provide to Lessor prior to commencement of construction of any improvements on the Premises either: (i) an unconditional written personal or corporate guaranty, in a form approved by and reasonably acceptable to Lessor, that the construction involving funding from a government or public entity will be completed as required (provided the identity and the net worth of the guarantor are acceptable to Lessor in its sole and absolute discretion); or (ii) a bond of a responsible surety company approved in advance by Lessor and licensed to do business in California, in an amount equal to one hundred percent (100%) of the cost of constructing the improvements. Lessor may eliminate or reduce the amount of the bond(s) if it is satisfied, within its reasonable discretion, that procedures are in place by Lessee to protect the interests of Lessor from liens being filed on the Premises and from Lessee's failure to complete the construction. If Lessee provides a bond, it shall remain in effect until the entire cost of the work has been paid in full and the improvements have been insured as provided in this Lease. The bond shall state that it is for the purpose of securing the completion of the proposed construction, free of all claims and liens of contractors, subcontractors, designers, mechanics, laborers and materialmen. The bond shall state that the construction work shall be effected by Lessee, its general contractor, or in the event of their default, by the surety. The bond shall also provide that the surety will defend and indemnify Lessor against all loss, cost, damages, expenses, and liability arising out of or connected with the construction of the improvements, including the cost of any professional, investigative, accounting, legal or other services which may reasonably be required by Lessor, plus the value of services provided by employees of Lessor, Lessor's elected officials, in-house counsel, lease administrators and/or lease auditors.

(c) Lessee shall, at all times, indemnify and hold Lessor harmless from all claims for design, labor or materials in connection with construction, repair, alteration or installation of structures, improvements, equipment or facilities within or on the Premises, and from the cost of defending against such claims, including attorneys' fees. Lessee shall carry, or assure that its contractor or contractors carry, statutory coverage in Workers' Compensation and Longshoremen and Harbor Workers' Insurance, as appropriate, to protect all workers employed by all contractors involved with the construction, renovation or modernization of any improvements on the Premises.

(d) If a lien is imposed on the Premises as a result of any construction, repair, alteration, or installation work on the Premises, Lessee shall procure and record a bond that frees the Premises from the claim of the lien and from any action brought to foreclose the

lien. The bond shall be recorded within thirty (30) days after Lessee receives written notice of the filing of such a lien.

(e) The providing of security and insurance by Lessee under this Article shall not be construed to limit Lessee's liability or responsibility for completing construction of any required or additional improvements on the Premises, or to fulfill the indemnification provisions and requirements of this Lease. Notwithstanding the provision of any bond or guaranty, as between Lessor and Lessee, Lessee shall be obligated for the full and total cost of constructing required or additional improvements on the Premises and the full amount of any damage, injury, or loss, including all costs, expenses and attorneys' fees, caused by negligence or neglect arising out of any act or omission of Lessee, its agents, employees and Sublessees connected with this Lease or with the use or occupancy of the Premises and related to construction of said improvements.

8.3. Negation of Warranties, Lessee Waivers, Litigation Limitations and Stipulation

(a) The parties recognize and agree that this Lease, the development process contemplated by this Lease and the business operations Lessee proposes to conduct on the Premises pursuant to this Lease, contain elements of risk, especially with respect to permits, approvals and financing. Lessee acknowledges and agrees: (i) that this risk shall be borne by Lessee alone; (ii) that Lessor does not and cannot guarantee permits or approvals will he secured from all required agencies; and (iii) that Lessor does not warrant or guarantee financeable title, financing or feasibility, except for any specific agreements or commitments made by Lessor in this Lease and the fact that Lessor covenants and agrees that it will not voluntarily encumber or place any cloud on Lessee's title to the Premises.

(b) Lessee further covenants, acknowledges and agrees as follows:

(i) That Lessor is a charter city formed under and pursuant to the Government Code of the State of California. The powers and authority of Lessor to act are governed by the Government Code and other applicable laws and regulations of the State of California, including the City Charter, and other county and municipal laws and regulations. Lessee accepts this Lease, subject to the terms and provisions of such Code and such other applicable laws and regulations now existing or hereafter enacted, and as they may be amended from time to time.

(ii) That the Premises are within the coastal zone and subject to the California Coastal Act, that any proposed further development of the Premises is subject to compliance with CEQA and the California Coastal Act and that this Lease is subject to the grant of tidelands from the State of California to Lessor as set forth above.

(iii) That, in the event of a breach of this Lease by Lessor, the remedy of Lessee shall be limited to an action at law for damages actually and demonstrably incurred by Lessee by reason of said breach. In the event of such a breach by Lessor, Lessee waives all right to claim any interest in the Premises in any judicial proceeding, including but not limited to a claim for specific performance, quiet title, declaratory relief, equitable lien or constructive trust.

9. Repair and Maintenance by Lessee

9.1 Normal Repairs

Except for Lessor's obligations to maintain and repair as stated in Paragraph 10.1 below, Lessee shall, at its sole cost and expense, maintain the Premises and all improvements of whatever kind that may be now or hereafter erected, installed or otherwise made thereon, including, without limitation, any riveted slopes, bulkheads, breakwaters, quaywalls, moles, piers, wharves, pilings or docks within or underlying improvements located within and associated with the use and occupancy of the Premises, in First Class Condition and Repair and in accordance with all applicable laws, rules, ordinances, orders and regulations relating to any part of the Premises or the improvements thereon, and shall make all necessary repairs and alterations thereto. Notwithstanding the foregoing, the portion of the Premises subject to the Chart House Sublease shall be maintained in the condition required thereunder. Lessee further shall provide proper containers for trash and garbage and keep the Premises at all times free and clear of rubbish, debris and litter. If Lessee receives written notice from Lessor of any deficiencies in Lessee's maintenance of the improvements on the Premises, and Lessee fails to cure such deficiencies within thirty (30) days thereafter (or, if any such deficiency is of such a nature that it cannot be cured within thirty (30) days, such additional time as is reasonably necessary to cure such deficiency so long as the cure thereof is commenced with such thirty (30) day period and thereafter diligently pursued to completion), Lessee shall pay Lessor the sum of One Hundred Dollars ($100.00) per day (for each date after the expiration of the applicable notice and cure period) for each separate item for so long as the deficiencies remain uncured. Lessor may deduct such amounts from the Deposit, and Lessee shall be obligated to restore the Deposit to its full amount. Such payment shall not be deemed to cure the default, and Lessor shall have all other rights and remedies with respect thereto. If the deficiencies described in Lessor's notice concern the portion of the Premises subject to the Chart House Sublease, then Lessor shall send a copy of the notice to the Sublessee operating the Chart House Improvements, at the

address set forth in the notice provisions below; the notice to Lessee shall be deemed effective only if Lessor has sent such notice to the Chart House Sublessee. If Lessee gives written notice that it disputes the Lessor's position, the parties shall arbitrate the dispute in Los Angeles County at Judicial Arbitration and Mediation Service, pursuant to its arbitration rules and procedures then in effect. Lessee shall not be considered in default while such arbitration is in process, and the daily payment referred to herein shall not apply until after a final determination by the arbitrator, and then only for the period after such determination.

9.2. Ongoing Maintenance and Renovation Fund

(a) Lessee shall contract with a licensed and insured structural engineer (to be approved by the City Engineer or the City Manager's designee, which approval shall not be unreasonably withheld) every five years during the Lease Term to perform a complete seismic and structural review of the improvements and to determine any work necessary to maintain the structural integrity of the improvements. Lessee shall promptly perform any work specified by such engineer in writing, which work shall qualify as Permitted Capital Improvements.

(b) Commencing with the beginning of the sixth year of the Lease Term, Lessee shall create the Renovation Fund. Lessee shall furnish to Lessor an annual accounting of the Renovation Fund no later than January 15 of each year. The Renovation Fund shall be fully expended for Permitted Subsequent Renovations no sooner than thirty (30) years and no later than twenty-five (25) years prior to the termination date of the Lease Term, at which time Lessee's obligation to continue funding the Renovation Fund shall cease. The Harbor Director's approval of any renovations proposed by Lessee shall be deemed given or withheld according to the same procedure for notice set forth in paragraph 7.2(e). If the Harbor Director disapproves any renovations proposed by Lessee, the Harbor Director shall provide a written explanation in reasonable detail of its reasons for disapproval. If the Harbor Director disapproves the proposed renovations and fails to provide such explanation within the ten (10) business day period, the Harbor Director shall be deemed to have approved the same. If any proposed renovations are disapproved as provided herein, then an alternate proposal may be submitted by Lessee, which alternate proposal shall be handled in the same manner as the initial proposed renovations. The Renovation Fund may be used for Permitted Subsequent Renovations performed at any time following the completion of the initial renovation work described in Section 7.1 above.

(c) If there are any disputes between Lessee, Lessor and/or the Harbor Director as to what constitutes a Permitted Subsequent Renovation in any particular case, then the dispute shall be resolved by a third party architect either (1) mutually selected by Lessee and the Harbor Director, which selection shall be made within five (5) days after either Lessee's or the Harbor Director's written notice of election to initiate such resolution, whose opinion shall be provided within five (5) days of the architect's selection, or (2) if Lessee and the Harbor Director cannot agree on a single third party architect within twenty (20) days of said

receipt of the resolution election notice, then each shall designate an architect in writing within twenty (20) days following said receipt of the resolution election notice, and the two (2) architects so designated shall mutually select a third disinterested architect to resolve the dispute and whose opinion shall be provided within five (5) days of the third architect's selection. If clause (2) immediately above applies and a party fails to designate an architect in writing within the applicable twenty (20) day period, then the single architect designated by the other party in writing shall resolve the dispute.

10. Maintenance and Repair by Lessor

10.1. Lessor's Right of Entry for Purposes of Repair

(a) Lessor covenants and agrees to keep in proper maintenance and repair the Harbor Master's storage area located on the Premises and all bulkheads, seawalls and quaywalls situated in the Redondo Beach King Harbor which, if not properly maintained, would have an adverse impact on the Premises, gross receipts or gross sales of Lessee. Lessor shall keep all sidewalks adjacent to such bulkheads, seawalls, and quaywalls in the Redondo Beach King Harbor in proper maintenance and repair at all times. Lessor shall perform, at its sole cost and expense, any and all dredging required in the Redondo Beach King Harbor. If, in Lessor's opinion, it ever becomes necessary for the safety of the Harbor to extend any bulkhead, mole or quaywall, Lessor shall have the right to do so at its sole cost and expense. All maintenance, repair and other work by or on behalf of Lessor required or permitted under this paragraph shall be undertaken, using best efforts, in a manner so as to reasonably minimize the negative impacts of the same upon the Premises, Lessee, Lessee's guests, marina tenants, subtenants and invitees.

(b) Except as stated in the preceding paragraph, Lessor shall not be required to maintain or repair any improvements or facilities on the Premises. Lessor may enter upon the Premises, or any portion thereof, from time to time, for the purpose of inspecting, establishing, extending, repairing or rebuilding a seawall, quaywall, pier, wharf, pilings, bulkhead, breakwater or mole, or conducting dredging operations, or to inspect and/or cure an actual or suspected breach of this Lease by Lessee that reasonably requires entry upon the Premises. In so doing, Lessor shall use reasonable efforts to minimize disruption to Lessee and its Sublessees. Lessor shall not be liable to Lessee, or its Sublessees, or any person or entity claiming through Lessee or its Sublessees, or to the occupant of any portion of the Premises for any loss, damage or harm arising out of Lessor's exercise of the rights reserved herein except to the extent the same is due to the willful misconduct or gross negligence of Lessor, its agents, contractors and employees. Except for damages arising from the willful misconduct or gross negligence of Lessor, its agents, contractors or employees, neither Lessee nor any Sublessees or other person claiming under or through Lessee, shall be entitled to any consequential damages arising therefrom.

(c) If Lessee fails to make repairs or replacements as required in this Lease, Lessor may notify Lessee of the failure in writing. If Lessee fails to make the repairs or replacements within a reasonable time thereafter, as established by Lessor, Lessor may make such repairs and replacements at Lessee's expense. Lessee shall reimburse Lessor for the costs thereof within ten (10) days after Lessor's notice specifying such costs. Such costs may include, without limitation, the cost of design, labor, material, equipment, the value of services provided by employees of Lessor, its officers, elected officials, in-house counsel and lease administrators, and the cost of professional services such as attorneys, accountants, contractors and other consultants as may be reasonably incurred or paid by Lessor. Lessor, at its option, may commit all or part of the Security Deposit to cover the cost of making such repairs and replacements. If Lessor makes such repairs or replacements, Lessee shall indemnify and hold Lessor harmless from and against all claims, demands, loss or liability of any kind arising out of or connected in any way with such work, including, but not limited to claims by Lessee, its officers, employees, agents, Sublessees and the patrons or visitors of Lessee or its Sublessees. Notwithstanding the foregoing, Lessor shall not have the right to enter the portion of the Premises subject to the Chart House Sublease if Lessee does not have the right to do so in its capacity as Lessor thereunder.

10.2. Limitations on Lessor's Obligation to Repair

Except for Lessor's obligations as stated in Paragraph 10.1 (a) above, Lessor shall have no duty, obligation or liability to care for or maintain the Premises. If, by any express provision of this Lease, Lessor agrees to care for or maintain the whole or any part of the Premises, such agreement on the part of Lessor shall constitute a covenant only, and no obligation or liability whatsoever shall exist on the part of Lessor to Lessee by reason thereof unless Lessor fails to commence performance of such obligation with reasonable diligence after receipt of a written notice from Lessee, specifying (a) the provisions of this Lease under which such duty is claimed to exist on the part of Lessor, and (b) the facts that require the performance of such duty. In such event, Lessee may perform any work necessary to remedy the problem if there is imminent danger of personal injury or material property damage, but Lessor's liability shall be limited to the reasonable costs and expenses of performing such work, which shall be reimbursed by Lessor to Lessee within thirty (30) days following Lessee's written request therefor accompanied by supporting documentation. Neither Lessee nor its Sublessees, nor any person claiming under or through Lessee, shall be entitled to consequential damages arising from any obligation under this section except to the extent the same is due to the willful misconduct or gross negligence of Lessor, its agents, contractors and employees.

11. Surrender of Premises

11.1. Lessee's Obligation to Surrender upon Expiration of Lease Term or upon Termination

Upon the expiration of the Lease Term, or any sooner termination of this Lease, Lessee shall surrender the Premises to Lessor along with any Improvements. Lessee shall surrender the Premises in the condition required under Paragraph 8.1 (c) above. Upon such expiration or sooner termination of the Lease Term, the title to all of the Improvements shall automatically vest in Lessor and shall become the absolute property of Lessor without cost or expense to Lessor. Lessee agrees to execute any and all documents necessary to transfer title to the Improvements to Lessor and hereby appoints Lessor as its attorney-in-fact to execute such documents on its behalf.

11.2. Ownership of Trade Fixtures upon Expiration or Termination

All trade fixtures owned or installed in or about the Premises by Lessee or its Sublessees may, at the option of Lessee or its Sublessees, be removed within thirty (30) days following the expiration or termination of this Lease, whichever occurs first; provided, however, that Lessee shall pay Lessor a sum of money equal to one and one-half times the Minimum Monthly Rental in effect at the expiration or termination of this Lease for the thirty (30) day period, and Lessee shall repair any damage to the Premises resulting from such removal. The free and unencumbered title to all trade fixtures located in or about the Premises not so removed within the thirty (30) day period shall automatically vest in Lessor and become the absolute property of Lessor without cost or expense to Lessor. In such event, Lessee agrees to execute and deliver, or cause to be executed and delivered, any and all documents necessary to transfer title to such trade fixtures to Lessor free and clear of all encumbrances and hereby appoints Lessor as its attorney-in-fact to execute said documents on its behalf.

12. Title and Warranties; Lease Conditions

12.1. Disclaimer of Warranties

Lessee acknowledges that the Premises are subject to trusts, covenants, conditions, easements and restrictions of record. Lessor warrants that it has the authority to lease the Premises to Lessee in accordance with the terms of this Lease for uses not inconsistent with the trusts under which the Premises are held by Lessor pursuant to the California Coastal Act of 1976 and other grants from the State of California and the public trust. Copies of the relevant trusts are attached hereto as **Exhibit E.** Lessor and Lessee agree and acknowledge that no warranties, covenants, promises or representations as to the title, possession or use of the Premises are made by Lessor in this Lease, or in any other form or

manner, except as provided in this Article. It is expressly agreed and understood that notwithstanding any provision in this Lease to the contrary, if the tenancy hereunder is or becomes inconsistent with the trusts under which the Premises are held by Lessor pursuant to the grants from the State of California, the rights and obligations of the parties will be governed solely and exclusively by the provisions of Paragraph 6.3 and 6.4, above. Notwithstanding the foregoing, Lessor shall not mortgage or otherwise encumber its interest in the Premises in such a way as to preclude or hinder Lessee from obtaining leasehold mortgages as provided in Article 13 above.

12.2. Lessee's Quiet Possession

Except as specifically provided herein, if Lessee performs and observes all of the covenants and conditions on its part to be performed hereunder, including payment of all sums payable to Lessor or others by Lessee, Lessor shall secure to Lessee during the Lease Term, the quiet and peaceful possession of the Premises against all persons. Lessor shall, upon acquiring actual knowledge of the claims of any such person, which claims disturb or interfere with the quiet, peaceful and lawful possession of the Premises by Lessee, at Lessor's own cost and expense and with reasonable diligence, file such proceedings and take such actions as may be reasonably necessary to remove the claim of such person and the actual interference and disturbance thereby with the quiet, peaceful and lawful possession by Lessee; but aside therefrom, neither Lessee nor its Sublessees, nor any other person claiming under or through Lessee, shall have any claim against Lessor for any damages, whether consequential, incidental or compensatory, nor shall Lessee be released or discharged from any of its obligations, liabilities, or indebtedness hereunder unless and until Lessee is legally, actually, and physically (as distinguished from constructively) evicted from the Premises by such person or persons.

12.3. Lessee Acknowledgments and Waiver

Lessee acknowledges that from time to time during the term of the Lease, and at such times and intervals as may be determined by Lessor in its sole discretion, construction, rehabilitation, replacement, repair and restoration activities may be conducted by or under the authority of Lessor within the Harbor Area. Lessee acknowledges that such activities and related operations, including the staging, storage and docking activities on other parcels in and around the Harbor Area are necessary and for the benefit of Lessee, its Sublessees, other lessees and the public, and that the conduct of such activities shall not be deemed to have disturbed or interfered with the possession and use of the Premises by Lessee or its Sublessees, or anyone claiming under Lessee or its Sublessees, or to have caused Lessee or its Sublessees to be evicted, either actually or constructively, from the Premises, and shall, under no circumstances, entitle Lessee, its Sublessees or others claiming under or through Lessee or any Subtenant, to claim or recover incidental or consequential damages from Lessor on account of such activities.

12.4. Lease Conditions

Notwithstanding anything to the contrary contained in this Article 12 or other provisions of this Lease, the occurrence of the following shall be a condition to Lessee's obligations under this Lease (collectively, "Lease Conditions"): (i) First American Title Insurance Company ("Title Company") is, as of the Commencement Date under this Lease, irrevocably committed to issue to Lessee an ALTA extended coverage policy of insurance, with a coverage amount of no less than Thirty-Two Million One Hundred Thousand Dollars ($32,100,000.00), insuring that Lessee holds a leasehold interest in and to the Premises pursuant to the terms of this Lease, with only the Schedules, Exceptions, and Endorsements contained in the Policy of Title Insurance prepared by Title Company for the Premises dated May 18, 2004, a copy of which is attached hereto as **Exhibit F**; (ii) Wells Fargo Bank, National Association ("Existing Lender"), shall have reconveyed the lien of that certain Construction Deed Of Trust With Absolute Assignment of Leases And Rents, Security Agreement And Fixture Filing dated May 3, 2004 and recorded May 18, 2004 as Instrument No. 04-1258827 in the Official Records of the County of Los Angeles, California ("Official Records"), and shall have recorded in the Official Records a new deed of trust encumbering Lessee's leasehold interest under this Lease; and (iii) Lessor shall have executed, acknowledged and delivered to Existing Lender for recordation in the Official Records a Landlord Consent in the form of **Exhibit G** attached hereto. If any of the Lease Conditions have not been satisfied within thirty (30) days after the Commencement Date, then Lessee shall have the right to terminate this Lease by written notice to Lessor, in which event the Old Lease shall remain in full force and effect and Lessor shall promptly return to Lessee the New Deposit and any portion of the Execution Payment theretofore paid to Lessor.

13. Encumbrance of Leasehold

13.1 Lessee's Right to Encumber To Finance Construction of Additional Improvements or Renovation Program

(a) Lessee shall, subject to the terms and provisions of this Article, have the right to subject Lessee's leasehold estate in the Premises, and any and all of Lessee's improvements on the Premises, to one or more mortgages as security for a loan or loans from an Institutional Lender, subject to Paragraph 13.2 below, provided among other things, that:

(i) The mortgage, all related documents and instruments and all rights acquired under the mortgage documents shall be subject and subordinate to the covenants, conditions and restrictions set forth in this Lease and to all rights and interests of Lessor, except as may be expressly provided in this Lease;

(ii) The mortgage shall not be placed upon or encumber the tide or submerged lands or the fee simple title to the Premises;

(iii) The amount of indebtedness secured by the proposed mortgage, plus the amount of indebtedness secured by all other approved mortgages, if any, encumbering Lessee's interest in the Premises, shall not exceed eighty percent (80%) of the Fair Market Value of Lessee's interest in this Lease and the improvements on the Premises, and Lessee's projections of net operating income derived from all operations conducted on or from the Premises for the next five (5) calendar years of the Lease Term shall be in excess of one hundred twenty-five percent (125%) of all debt service (including all costs and expenses related to the debt service) payable by Lessee during such calendar year for all mortgages encumbering Lessee's interest in this Lease, and the improvements on the Premises. For purposes of this subparagraph (iii), the Fair Market Value of Lessee's interest in this Lease and the improvements on the Premises, shall be determined by an appraiser selected by Lessee and subject to the reasonable approval of Lessor, and who shall be a member in good standing of the American Institute of Real Estate Appraisers holding an M.A. I. designation and be primarily engaged in the business or occupation of appraising or evaluating business real property and improvements. All costs and fees of obtaining such market value determination shall be at Lessee's sole expense;

(iv) The mortgage shall encumber only Lessee's interest in the improvements on the Premises and Lessee's interest in this Lease and no other real property, provided, however, that nothing in this Lease shall prohibit the Lender from taking a security interest (by assignment or otherwise) in Lessee's interest as sublessor in any sublease of any portion of the Premises;

(v) The mortgage shall not be cross-defaulted with agreements relating to other property or transactions;

(vi) The mortgage shall expressly provide that it shall not be modified or otherwise revised without the prior written consent of Lessor (which consent shall not be unreasonably withheld, conditioned or delayed), if the cumulative effect of the modifications not consented to by Lessor increases the loan amount to more than 105% of the face amount of the loan secured by the mortgage or increases the interest rate by more than 2% per annum;

(vii) The mortgage shall not, by its terms or effect, be used to transfer ownership of this Lease or Lessee's interest herein, or in the improvements on the Premises (except a security interest therein) or to change control of Lessee, except in connection with the exercise of Lender's rights and remedies under any applicable security instrument; and

(viii) The mortgage shall state that:

(A) the terms and provisions of this Lease shall prevail, govern and control in any instance where an inconsistency or conflict exists between the terms and provisions of this Lease and the terms and provisions of any mortgage document;

(B) any proceeds from fire or extended coverage insurance shall first be used for the repair, rebuilding, restoration or reconstruction of improvements on the Premises and only the remaining proceeds, if any, may then be used to repay any part of the outstanding indebtedness secured by the mortgage;

(C) should the encumbrance holder or any successor-in-interest to it, succeed to the interests of Lessee in the Premises or under this Lease by any means or proceedings whatsoever, and regardless of whether or not the encumbrance holder actually enters into and takes possession of the Premises, then the encumbrance holder shall be obligated to keep and perform all of the covenants and conditions of this Lease required to be kept and performed by Lessee, but only during the period that the encumbrance holder is the holder of the leasehold estate; and

(D) the encumbrance holder, regardless of whether or not a request for notice shall have been recorded by Lessor, shall give Lessor written notice of any default under the mortgage and related documents, which notice shall be given within twenty (20) calendar days after the encumbrance holder declares an event of default or otherwise commences the exercise of its rights and remedies under the applicable security instrument. Notwithstanding the requirements of this subparagraph, Lessor agrees to consider acceptance of alternate methods of compliance with this provision, provided the effect of such alternate methods achieve the same legal effect as it relates to Lessor's rights and requirements under the Lease.

(b) For purposes of this Article, the extension or renewal of existing financing that increases the loan amount to more than 105% of the face amount of the note secured by the mortgage, unless explicitly provided for in the original financing documents or this Lease, shall be considered a new loan or encumbrance, subject to all criteria set forth in this Article and Lessor's approval thereof pursuant to the provisions hereof. In such event, Lessor shall have the right to require that Lessee invest additional capital and equity to bring the loan or encumbrance within the debt service coverage standards set forth in subparagraph (iii) of paragraph (a).

(c) Whenever the words "mortgage", "deed of trust" or "encumbrance" appear herein, the words "security instrument" may be substituted in their place.

13.2. Lessor's Approval of Encumbrance and Processing Fee

Prior to the making of any such lien or encumbrance under Paragraph 13.1 above, Lessee shall submit to Lessor the proposed terms and conditions of the loan, setting forth the total amount thereof, the interest rate, the payment schedules and a description of the security for repayment, and shall obtain the consent of Lessor for such encumbrance, which consent may not be unreasonably withheld, conditioned or delayed. Any such encumbrance without Lessor's consent shall be immediately void and shall constitute a default hereunder. A non-refundable fee, which shall be reasonable under the circumstances in light of the size, nature, complexity and expertise required to review said proposed encumbrance, shall be paid by Lessee to Lessor for processing each request for consent to such mortgage or encumbrance submitted to Lessor. Such fee shall be paid concurrently with the initial submission of encumbrance documents and loan information, is deemed earned by Lessor when paid, and shall not be refundable, Lessee acknowledges that Lessor may deny approval of any encumbrance if Lessee or any of its successors or assigns is then in default of any obligation under this Lease or if, Lessee is not in compliance with Paragraph 13.1 above. Lessee shall provide and make available to Lessor all documents and information related to its operations, past and/or contemplated business activities and other information which Lessor may request and reasonably require in order to determine the commercial reasonableness of the proposed encumbrance. Lessor's consent to any such encumbrance or mortgage shall not be deemed to be, or construed as, Lessor's consent to any other encumbrance or mortgage, regardless of whether such other encumbrance is secured in whole or in part by the same collateral or property interests as an encumbrance or mortgage to which Lessor has previously consented. Lessee's existing financing from Wells Fargo Bank, as evidenced by a promissory note dated May 3, 2004, is deemed approved hereunder.

13.3. Lessee's Right to Refinance

During the Lease Term and provided Lessee is not in default under the Lease and provided Lessee complies with paragraphs 13.1 and 13.2 above and Article 18 below in regard to Appreciation Rent, if applicable, but only with Lessor's prior written consent, Lessee may refinance the existing debt structure secured by Lessee's leasehold estate under this Lease, or any portion thereof (including interests of Lessee as sublessor under any sublease of a portion of the Premises), and/or Lessee's interest in improvements on the Premises, or any portion thereof. Lessor shall not unreasonably withhold, condition or delay its consent to any such refinancing and such approval shall be in writing.

13.4. Rights of the Encumbrance Holder

(a) Nothing contained in this Lease shall be deemed to preclude the transfer of this Lease without the consent of Lessor as a result of a judicial foreclosure or a foreclosure through the exercise of a power of sale under any deed of trust or mortgage executed to obtain financing referred to in this Article 13, or by a deed in lieu thereof, or any subsequent transfer by the Lender subject to the requirements hereof, if:

(i) the Lender is the purchaser at such foreclosure sale;

(ii) the Lender is an Institutional Lender at the time it succeeds to Lessee's interests under this Lease; or

(iii) the transfer by the Lender is approved in writing by Lessor.

(b) If the Lender purchases Lessee's interest in the Premises under this Lease at a foreclosure sale or acquires such interest by a deed in lieu thereof, the Lender shall promptly cure all defaults then existing under this Lease which are not personal to Lessee, e.g. bankruptcy of Lessee, including maintaining the Deposit, and until Lender transfers Lessee's interest in this Lease, shall thereafter comply with all of the terms and conditions of this Lease during the period the Lender, or a receiver appointed at its instance and request, is in possession, or entitled to possession, of the Premises, or retains the leasehold interest so acquired. If the Lender is an Institutional Lender at the time it acquires Lessee's interest in the Premises under this Lease, or acquires its interest in the Premises through a wholly-owned subsidiary, and certifies to Lessor in writing at the time it proposes to make a transfer of its interest in the Premises, that it is an Institutional Lender or the entity acquiring the interest is a wholly-owned subsidiary of an Institutional Lender, as defined herein and, provided further, that the Lease is not then in default (other than defects which are personal to Lessee), the Lender may transfer the leasehold interest so acquired to a third party. However, as a condition of such transfer, the transferee shall assume and expressly agree in a writing in a form acceptable to Lessor to be bound by all of the terms, covenants, conditions and agreements of this Lease and, contemporaneously with said transfer, the transferee shall execute and deliver to Lessor an unconditional lease assumption agreement in a form reasonably acceptable to Lessor.

(c) If the purchaser at foreclosure or entity that acquires the interest in the Lease by means of a deed-in-lieu of foreclosure or similar type of assignment is not either (i) an Institutional Lender or (ii) a wholly-owned subsidiary of an Institutional Lender , then no such subsequent transfer by the purchaser can be made without obtaining the prior written consent of Lessor pursuant to the terms and provisions of Article 15 below. In the event of any transfer, and in addition to the requirements of paragraph (b), above, the transferor shall immediately give written notice to Lessor of such transfer, including the name and address of the transferee and the effective date of such transfer.

(d) Notwithstanding any provision of this Lease to the contrary, Lessor agrees that it will not terminate this Lease because of any default or breach thereunder on the part of Lessee, if the Lender, within thirty (30) days after service of written notice from Lessor of its intention to terminate this Lease for such default or breach (or within sixty (60) days after receipt by the Lender of written notice from Lessor stating that Lessee has commenced curing said default but is not diligently prosecuting the same to completion) shall cure such default or breach and thereafter keep and perform all of the covenants and conditions of this Lease provided herein to be kept and performed by Lessee. In the event that the cure requires Lender to obtain a receiver and Lender otherwise cures any default related to non-payment of rent, Lender's time to cure shall not expire until sixty (60) days after the appointment of the receiver, provided the Lender has instituted judicial proceedings required for the appointment of a receiver and is diligently pursuing same.

(e) If the breach or default is not curable, or if there are multiple defaults, some being curable and some not (in which case the Lender shall cure the curable defaults within sixty (60) days), the Lender, within said sixty (60) day period, shall commence and thereafter diligently pursue to completion proceedings for the foreclosure and sale under and pursuant to the terms of its encumbrance, which shall be accomplished within one hundred eighty (180) days or such longer period as may be required for Lender to obtain an order of sale or other judicial remedy, including but not limited to relief from a stay under the Bankruptcy Code, in order to permit under applicable law the foreclosure or sale (the "Foreclosure Period"), after service of written notice by Lessor of its intention to terminate this Lease. The actions required under the preceding sentence may include, but are not limited to the initiation and prosecution of proceedings under the Bankruptcy Code, 11 USC §§101 et seq., to lift any stay or other order which may be in effect. During the Foreclosure Period, the Lender shall perform all of Lessee's obligations required under the Lease.

(f) Notwithstanding any provisions of this Lease to the contrary, Lessor further agrees that it will not terminate this Lease because of any default or breach by Lessee specified in Article 16 below, if, prior to expiration of the Foreclosure Period, the Lender gives written notice to Lessor agreeing to cure all curable defaults under this Lease as defined in paragraph (d) of this Paragraph 13.4, and expressly assuming all obligations of Lessee under this Lease during such period that the Lender or the Lender's designee, or a receiver appointed at its instance and request, shall be in possession or entitled to possession of the Premises. If the Lender fails or refuses to comply with any or all of the terms of this subparagraph, Lessor shall be released from the covenants of forbearance contained herein.

(g) If the event a "First Encumbrance Holder" as defined herein succeeds to all interests of Lessee under this Lease and, within thirty (30) days thereafter gives Lessor written notice of its request to enter into a new lease covering the Premises as lessee on the same terms and conditions as provided in this Lease, Lessor shall execute and deliver a new lease to the First Encumbrance Holder as lessee for the remainder the Lease Term hereunder provided the First Encumbrance Holder shall have:

(i) paid to Lessor all rent and other charges due under this Lease, up to and including the date of the commencement of the term of such new lease, together with all reasonable expenses incurred by Lessor in connection with the request for and negotiation of the new lease (including without limitation reasonable administrative, financial, economic, accounting and/or legal costs and fees and the reasonable value of services provided by Lessor's employees, elected officials, in-house counsel, lease administrators and/or lease auditors);

(ii) cured or commenced to cure any and all other defaults under this Lease; and

(iii) executed and delivered to Lessor a lease assumption agreement as would be required of an assignee of Lessee's interest under this Lease pursuant to the terms hereof.

The First Encumbrance Holder shall not be required to cure any default or event of default under this Lease, which is exclusively personal to Lessee and which no encumbrance holder has the power to cure (such as, for example, the bankruptcy of Lessee), as a prerequisite to the exercise of the rights to a new lease provided herein. The term "First Encumbrance Holder" as used in this Paragraph 13.4 shall mean the Lender demonstrated to Lessor's reasonable satisfaction to be holding the most senior lien on the interest of Lessee under this Lease, or any portion thereof, as consolidated, renewed, extended, modified or replaced from time to time. As of the date of this Lease, Lessor acknowledges and agrees that Wells Fargo Bank is the First Encumbrance Holder. Lessor shall have no obligation whatsoever to offer a new lease to any Lender other than a First Encumbrance Holder, and if for any reason the First Encumbrance Holder fails to request or to sign a new lease within thirty (30) days after Lessor's delivery of the new lease as executed by Lessor pursuant to the terms hereof, Lessor shall have no further obligations to enter into or offer a new lease pursuant to this subparagraph.

(h) Any notice to the Lender provided for in this Lease may be given contemporaneously with any notice to Lessee.

(i) Nothing herein contained shall be deemed to impose any obligation on the part of the Lessor to deliver physical possession of the Premises or any part thereof to any Lender, or any successor thereto, provided, however, that if Lessor is fully indemnified therefor by such Lender to Lessor's satisfaction (including without limitation indemnification for reasonable attorneys' fees), Lessor shall cooperate with such Lender (by joining as a party in any appropriate action or proceeding, or otherwise) at the sole cost and expense of such Lender, and at no cost, expense, risk or liability to Lessor, for the purpose of enabling such Lender to obtain possession of the Premises,

(j) Any such new lease, and the leasehold estate thereby created, are intended to continue to maintain the same priority as this Lease, with regard to any encumbrance or mortgage on the Premises, or any part thereof, or any other lien, charge or encumbrance thereon caused or made by the Lessor whether or not the same shall then be in existence; provided, however, that although the provisions of this sentence are intended to be self executing, Lessor shall not be obligated to expend any funds or take any other action to accomplish or obtain such priority for any such new lease or leasehold estate.

(k) Lessee shall be deemed to have agreed to apply the rents, issues and profits of the Premises to fulfill Lessee's obligations under this Lease before applying them for any other purpose.

(l) There shall be no cancellation, surrender or modification of this Lease by Joint action of Lessor and Lessee without the prior consent in writing of any First Encumbrance Holder (which consent shall not be unreasonably withheld, conditioned or delayed), nor shall any election, determination or waiver by Lessee (whether through action or inaction) that materially impairs the value of the Leasehold be effective without the prior written consent of any First Encumbrance Holder (which consent shall not be unreasonably withheld, conditioned or delayed).

(m) Lessor shall, upon serving Lessee with any notice pursuant to the provisions of this Lease, simultaneously serve a copy of the notice upon any First Encumbrance Holder. No notice by Lessor to Lessee under this Lease shall be deemed to have been served unless and until a copy thereof shall have been served upon any First Encumbrance Holder as set forth herein.

(n) Any leasehold mortgagee shall have the right, but not the obligation, at any time prior to termination of this Lease and without payment of any penalty, to pay all of the rents due hereunder, to effect any insurance, to pay any taxes or assessments, to make any repairs or improvements, to do any other act or thing required by Lessee under this Lease, and to do any act or thing which may be necessary and proper to be done in the performance and observance of the agreements, covenants and conditions to prevent termination of this Lease. Any leasehold mortgagee and its agents and contractors shall have full access to the Premises for purposes of accomplishing any of the foregoing. Any of the foregoing done by any leasehold mortgagee shall be as effective to prevent a termination of this Lease as the same would have been if done by Lessee.

(o) Lessor agrees that the name of the First Encumbrance Holder may be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by Lessee under this Lease on condition that the insurance proceeds are to be applied in the manner specified in this Lease.

(p) Lessor agrees that, in the event of termination of this Lease for any reason (including without limitation by reason of any default by lessee or by reason of the disaffirmance thereof by a receiver, liquidator or trustee for Lessee or its property), Lessor, if requested by any First Encumbrance Holder will enter into a new lease of the Premises, which new lease shall commence as of the date of termination of this Lease and shall run for the remainder of this Lease term, at the same rent and additional rent and upon the same terms, provisions, covenants and agreements, and subject to the rights, if any, of any parties then in possession of any part of the Premises, provided:

(i) The First Encumbrance Holder shall make written request upon Lessor for the new lease within 30 days after the date of termination;

(ii) The First Encumbrance Holder shall pay to Lessor at the time of the execution and delivery of the new lease any and all sums which would, at the time of the execution and delivery thereof, be due and unpaid pursuant to this Lease but for its termination (other than the payment of any amount that was secured by a lien on the Leasehold that was junior to such mortgage), and in addition thereto any expenses, including reasonable attorneys' fees, to which Lessor shall have been subjected by reason of Lessee's default;

(iii) The First Encumbrance Holder shall perform and observe all covenants in this Lease to be performed and observed by Lessee, and shall further remedy any other conditions which Lessee under the terminated Lease was obligated to perform under its terms, to the extent the same are curable or may be performed by the leasehold mortgagee;

(iv) The new lease shall be expressly made subject to the rights, if any, of Lessee under the terminated Lease;

(v) The Lessee under the new lease shall have the same right, title and interest in and to the buildings and improvements on the Premises as Lessee had under the terminated Lease immediately prior to its termination;

(vi) The First Encumbrance Holder shall pay to Landlord all reasonable attorneys' fees incurred by landlord required to negotiate, prepare, review and/or effectuate the new lease.

(q) Notwithstanding anything to the contrary expressed or implied in this Lease, any new lease made pursuant to subparagraph (g) above, shall be prior to any mortgage, deed of trust, or other lien, charge, or encumbrance on the fee of the Premises, and shall be accompanied by a conveyance of title to the improvements (free of any

mortgage, deed of trust, lien, charge, or encumbrance created by Lessor) for a term of years equal to the term of the new lease, subject to the reversion in favor of Lessor upon expiration or sooner termination of the new lease.

(r) Nothing herein contained shall require First Encumbrance Holder to enter into a new lease pursuant to subparagraph (g), above, nor to cure any default of Lessee referred to above.

(s) Foreclosure of any leasehold mortgage, or any sale thereunder, whether by judicial proceedings or by virtue of any power contained in the leasehold mortgage, or any conveyance of the Leasehold from Lessee to any leasehold mortgagee or its designee through, or in lieu of, foreclosure or other appropriate proceedings in the nature thereof, shall not require the consent of Lessor or constitute a breach of any provision of, or a default under, this Lease.

(t) In the event any leasehold mortgagee or its designee becomes the Lessee under this Lease or under any new lease obtained pursuant to subparagraph (g), above, the leasehold mortgagee or its designee shall be personally liable for the obligations of Lessee under this Lease or new lease only to the extent that they arise during the period of time that the leasehold mortgagee or its designee constitutes the actual beneficial holder of the leasehold estate.

(u) Unless and until Lessor has received notice from each First Encumbrance Holder that the leasehold mortgagee elects not to demand a new lease as provided in subparagraph (g), above, or until the period therefor has expired, Lessor shall not cancel or agree to the termination or surrender of any existing subleases nor enter into any new subleases hereunder without the prior written consent of the First Encumbrance Holder.

(v) The proceeds of any insurance policies or of any condemnation or taking in eminent domain which, pursuant to the provisions of this Lease, are to be paid to Lessee, shall instead be paid to and held by leasehold mortgagee and distributed, as between Lessee and leasehold mortgagee, in accordance with the provisions of the mortgage. Anything in this Lease to the contrary notwithstanding, in the event this Lease is terminated due to a taking or partial taking, any compensation or award for the taking of all or any part of the Premises shall be distributed as follows:

(i) First, compensation for the value of Lessee's improvements shall be paid to leasehold mortgagee to the extent of the outstanding indebtedness secured by the mortgage (the "Indebtedness") and any balance shall be distributed as provided in this Lease.

(ii) Second, if the compensation for the value of Lessee's improvements is less than the Indebtedness, then compensation for the value

of Lessee's leasehold estate shall be paid to leasehold mortgagee until the Indebtedness is paid in full, and any balance shall be distributed as provided in this Lease.

No termination of this Lease by Lessee due to a partial taking shall be effective without leasehold mortgagee's prior written consent unless the Indebtedness is paid in full. In the event of a partial taking where this Lease is not terminated, any compensation or award for the taking of such portion of the Premises shall be distributed as follows, subject to leasehold mortgagee's obligations (if any) under the mortgage and Loan Agreement to make such compensation or award available for restoration improvements on the Premises.

(iii) First, compensation for the value of Lessee's improvements shall be paid to leasehold mortgagee to the extent of the Indebtedness, and any balance shall be distributed as provided in this Lease.

(iv) Second, if the compensation for the value of Lessee's improvements is less than the Indebtedness, then compensation for the value of Lessee's leasehold estate shall be paid to leasehold mortgagee until the Indebtedness is paid in full, and any balance shall be distributed as provided in this Lease.

The foregoing provisions of this paragraph (v) shall not be construed as reducing the amount of condemnation proceeds payable by the condemning authority.

(w) The parties hereto shall give any First Encumbrance Holder notice of any arbitration or condemnation proceedings, or of any pending adjustment of insurance claims. Such First Encumbrance Holder shall have the right to participate in any such proceedings, and the parties hereto shall cooperate reasonably with the First Encumbrance Holder. The parties hereto consent to such intervention. In the event that any leasehold mortgagee shall not elect to intervene or become a party to the proceedings, that leasehold mortgagee shall receive notice and a copy of any award or decision made in connection therewith.

(x) The term "mortgage," whenever used herein, shall include whatever security instruments are used in the locale of the Premises, such as, without limitation, deeds of trust, security deeds, and conditional deeds, as well as financing statements, security agreements and other documentation required pursuant to the Uniform Commercial Code. The term "mortgage," whenever used herein, shall also include any instruments required in connection with a sale-leaseback transaction. The term "mortgagee" shall include the holder of the secured position under each of the foregoing types of instruments, including but not limited to the beneficiary under a deed of trust, the secured party under a

security agreement and the lessor in a sale-leaseback transaction.

14. Indemnification, Hold Harmless and Insurance

14.1. Indemnification

Lessee shall defend, protect, indemnify and hold harmless Lessor and all Lessor Parties from and against any and all claims, demands, loss or liability of any kind that Lessor or any Lessor Parties may sustain or incur or which may be imposed upon them, or any of them, for injury to or death of persons, or damage to property, as a result of or arising out of this Lease or with occupancy and use of the Premises by Lessee, its officers, agents, employees, Sublessees, patrons, visitors, or trespassers. If any action or proceeding is brought against Lessor, or any Lessor Parties as provided in the preceding sentence, Lessee shall, upon notice from Lessor, defend the claim at Lessee's sole expense with counsel reasonably satisfactory to Lessor.

14.2. Waiver of Claims

Except for areas for which Lessor has retained maintenance and repair as provided in Paragraph 10.1 above, Lessee accepts the Premises in their "as is" and "where is" condition, including without limitation, risks of subsidence and liquefaction, Lessee acknowledging it has been in possession of the Premises for a period of years pursuant to the Old Lease, is familiar with the condition of the Premises, and is not relying on any representations or warranties of Lessor with respect to the Premises or condition thereof. As a material part of the consideration for this Lease, Lessee hereby waives all claims against Lessor for damages to goods, wares, merchandise, buildings, installations or other improvements in, upon, or about the Premises and for injuries to Lessee, its Sublessees or third persons in or about the Premises from any cause arising at any time, except claims for damages or injuries arising out of or to the extent of the active negligence of Lessor.

14.3. Hazardous Substances and Environmental Indemnity

(a) Lessee shall not engage in any use of Hazardous Substances in, on or about the Premises (including the installation or use of any above-ground or underground storage tank) except in compliance with applicable law. Lessor may require such additional assurances as Lessor, in its commercially reasonable discretion, deems necessary to protect Lessor, the public, the Premises, Redondo Beach King Harbor, the Harbor Area, and the environment against damage, contamination, injury or liability, including, without limitation, the deposit of additional security under Article 9 above.

(b) If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance, or a condition involving or resulting from a Hazardous Substance, is present on, under, or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, together with copies of all reports or notifications to or from governmental agencies or private parties concerning the same.

(c) Lessee hereby represents that it has conducted all testing, inspection and analysis Lessee deems reasonably necessary with regard to the condition of the Premises. Lessee therefore takes possession of the Premises, and its leasehold interest in the Premises and any improvements now existing on the Premises, in their "as is" condition and with all faults (except for Hazardous Materials existing on the Premises prior to the commencement of the Existing Lease) and Lessee hereby specifically waives any rights Lessee may have against Lessor with regard to the condition of the Premises including, but not limited to soils, toxic or Hazardous Substances, fill material, compaction, geologic constraints and faults.

(d) Lessee shall indemnify, protect, defend and hold harmless Lessor and all Lessor Parties against any losses, liabilities, damages, demands, actions, judgments, causes of action, assessments, penalties, costs and expenses (including, without limitation, the reasonable fees and disbursements of legal counsel and accountants) and all applicable damages, at law and in equity, as a result of a storage tank existing within or brought onto the Premises by Lessee or its Sublessees, or their predecessors, or under Lessee's control, or a claimed violation of any and all present and future federal, state and local laws (whether under common law, statute, rule, regulation or otherwise), including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and the applicable provisions of the California Health and Safety Code and the California Water Code, relating to the environment or to any Hazardous Substance, activity or material connected with the condition of the Premises. If any such action or proceeding is brought against Lessor or any Lessor Parties, Lessee, upon notice from Lessor, shall defend the claim at Lessee's sole expense with counsel reasonably satisfactory to Lessor. Lessee's obligations under this paragraph (d) shall include, without limitation, loss of rents to Lessor, the effects of any contamination or injury to person, property or the environment, the cost of investigation, remediation, restoration and abatement. Lessee's obligations hereunder shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this paragraph (d), unless specifically stated in writing in the agreement and signed by Lessor. Nothing in this Lease shall release or waive Lessee's rights against any third persons with respect to its obligations and liabilities under this paragraph (d), including against Lessee's Sublessees, their predecessors and insurers. In the event of any claim hereunder, Lessor shall fully cooperate with Lessee in the defense, prosecution and resolution of such claims.

(e) Lessee shall, at its sole cost and expense, comply with (i) any and all requirements necessary for the maintenance of reasonable fire and general liability insurance covering the Premises; and (ii) any and all rules, regulations, requirements and mandates of those federal, state and local public agencies now existing or as may hereafter

be established or modified, with jurisdiction, power and authority to monitor, enforce and administer matters relating to Hazardous Materials, air and water quality, waste management and disposal, storage tanks, fish and game, commerce and navigation and other matters of the environment, especially those of a marine nature, within and connected with Redondo Beach King Harbor and the Harbor Area.

(f) Lessor shall have the right to enter the Premises at any time in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease and all applicable laws and regulations. The cost of the inspection shall be borne by Lessor unless a default under this Lease, violation of law, or a contamination caused or contributed to by Lessee, is found to exist, in which case Lessee shall reimburse Lessor on demand for all reasonable costs of inspection, investigation, remediation, restoration or abatement, including all Lessor costs. Such payment shall be made to Lessor within ten (10) days after Lessee receives Lessor's reasonably detailed written demand for payment. Except in the case of an emergency, Lessee shall not undertake remediation, restoration, or abatement without first providing a reasonable opportunity for Lessee to do the same, and in such cases, Lessor and Lessee shall each cooperate with the other, including in providing access to the Premises.

14.4. General Liability and Property Damage Insurance

(a) In addition to and independent of all other provisions of this Lease, Lessee shall, at its own cost and expense, maintain insurance in full force and effect throughout the Lease Term. The policy or policies of insurance shall provide coverages which shall be commercially reasonable for the Premises and operations conducted on the Premises and shall, with respect to the General Liability coverage, name Lessor, and each of Lessor's elected officials, officers, employees, agents, attorneys, volunteers and members of all boards and commissions, as additional insureds. As a minimum, provided the same are available at commercially reasonable rates, the policy or policies of insurance shall provide the following forms of coverage in the amounts specified:

(i) Commercial General Liability: Twenty-Five Million Dollars ($25,000,000.00) per occurrence/general aggregate limit for Bodily Injury and Property Damage.

(ii) "All-Risk", in an amount not less than 100% of the full insurable value on a replacement cost basis of all improvements now existing or hereafter constructed or installed on or within the Premises by Lessee, any predecessor-in-interest of Lessee, or any Sublessee or assignee of Lessee on an All-Risk or Special Perils form. Policies of insurance providing this coverage shall contain a provision that all insurance proceeds shall be used to meet the obligations of Lessee to restore, repair and replace the improvements on the

Premises as required hereunder. Lessor and Lessee agree that such proceeds may be placed in trust with a trustee acceptable to Lessor and Lessee to secure the restoration and replacement of the improvements, provided Lessee shall be solely responsible for all payments and costs connected with the creation and administration of the trust and such costs and expenses shall not be paid from the insurance proceeds placed in trust. It shall be the obligation of Lessee to determine the availability of said coverage. If a loss occurs due to a risk which would have been covered under an All-Risk policy required hereunder, the loss shall be treated as occurring as a result of an insurable peril, as that term is defined in Article 20 below, even if Lessee has failed to maintain such a policy in full force and effect.

(iii) Earthquake insurance coverage, if reasonably available and economically feasible, in an amount not less than 100% of the full insurable value on a replacement cost basis of all improvements now existing or hereafter constructed or installed on or within the Premises.

(b) All insurance required to be provided under this Article shall be in force on or before the Commencement Date.

(c) Each policy of insurance shall contain a clause substantially similar to the following clause:

> "It is agreed that this policy shall not be canceled nor the coverage reduced until thirty (30) days notice of cancellation the Harbor Director of the City of Redondo Beach. The notice shall be sent by certified or registered mail and shall be deemed effective the date delivered to said Harbor Director, as evidenced by a properly validated return receipt."

(d) Lessee agrees to deposit with Lessor, at the times at which they are required to be in effect, a copy of the endorsements, and certificates of insurance necessary to satisfy the insurance provisions of this Lease and to keep such insurance in effect and the policy or policies, or certificate or certificates therefore on deposit with Lessor during the entire Lease Term. All policies of insurance shall be issued by insurance companies licensed to do business in the State of California or a surplus lines carrier and rated not less than Best's A: VII, or such other rating service as Lessor shall select in its reasonable commercial discretion if Best's is no longer available or providing such rating service. Further, all policies of insurance shall contain language to the effect that: (i) the insurer waives the right of subrogation against Lessor and Lessor's elected officials, officers, employees, agents, attorneys and members of all boards and commissions and all employees of Lessor performing services for or under this Lease; (ii) the policies are primary and

noncontributing with any insurance that may be carried by Lessor; (iii) the insurance is to apply severally as if each named insured were the only named insured, and separately as to each insured against whom a claim is made or an action is brought; and (iv) the inclusion of any person or entity as an insured is not to affect any right such person or entity would have as a claimant against another insured.

(e) Lessor shall retain the right at any time to review the coverage, form and amount of the insurance required to be maintained by Lessee under this Lease. If, in the opinion of Lessor, applying commercially reasonable standards, the insurance provisions in this Lease do not provide adequate protection for Lessor and for members of the public using the Premises, Lessor may require Lessee at Lessee's sole expense to obtain insurance sufficient in coverage, form and amount to provide adequate protection. Lessor's requirements shall be commercially reasonable and designed to assure protection from and against the kind and extent of the risks which exist at the time a change in insurance is required. Insurance coverages specified in this Article 14 are subject to adjustment pursuant to Article 48 below.

(f) Lessor shall notify Lessee in writing of changes in the insurance requirements, and, if Lessee does not deposit copies of acceptable insurance policies or certificates of insurance with Lessor incorporating such changes within thirty (30) calendar days of receipt of such notice, Lessee shall be in default of this Lease.

(g) The procuring of such required policy or policies of insurance shall not be construed to limit Lessee's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Lease. Notwithstanding said policy or policies of insurance, Lessee shall be obligated for the full and total amount of any damage, injury, or loss, including all costs, expenses and attorneys' fees caused by negligence or neglect arising out of any act or omission of Lessee, its agents, employees and Sublessees connected with this Lease or with the use or occupancy of the Premises.

14.5. Workers' Compensation Insurance

Lessee shall procure, at its own expense, and shall keep in force during the Lease Term, adequate insurance against liability arising on account of injuries or death to Lessee's workers or employees on the Premises or any installation or other improvements of Lessee by Lessee's workers or employees. Such workers' compensation insurance to be provided by Lessee shall be in the statutory amounts obtainable against liability under the Workers' Compensation Insurance and Safety Act of the State of California as well as Employer's Liability Insurance. Lessee shall also procure and maintain at all times during the Lease Term, by separate policy or by endorsement, insurance against liability arising from or related to the United States Longshoremen and Harbor Workers' Act, if at any time Lessee has any employees covered by such Act.

14.6. Rental Insurance

During the first year of the Lease Term, Lessee shall procure, at its own expense, and keep in force during said year, commercially available business interruption insurance payable to Lessor in an amount equal to twelve (12) times the initial Minimum Monthly Rental specified above. Effective on the one hundred twentieth (120^{th}) day after the first anniversary date of this Lease, and the one hundred twentieth (120^{th}) day after each anniversary date thereafter during the Lease Term, Lessee shall procure and maintain in force at its own expense, rental interruption insurance (or, as the case may be, use and occupancy insurance) and business interruption or disruption insurance, exclusive of pollution, with benefits payable to Lessor in an amount not less than the total of the minimum monthly and percentage rentals payable by Lessee to Lessor for the twelve (12) month period immediately preceding the anniversary date of this Lease. The amount of such insurance shall be so adjusted each year of the Lease Term so that the amount of such insurance payable to Lessor shall at all times be at least equal to the total of the Minimum Monthly Rental and Percentage Rental payable to Lessor for the twelve (12) month period immediately preceding such adjustment.

14.7. Other Insurance

Lessee shall procure, at its sole cost and expense, and shall keep in force during the Lease Term:

(a) Boiler and machinery insurance if at any time such equipment is located on the Premises.

(b) Course of construction insurance at all times during which any improvements to be located on the Premises are under construction and not yet otherwise insured.

(c) Other insurance in amounts from time to time reasonably required by Lessor against other insurable risks if, at the time, they are commonly insured against for premises similarly situated and containing comparable improvements.

15. Assignment and Subletting

15.1. Restrictions on Assignment

(a) Except as otherwise permitted in connection with assignments as security for an encumbrance under Article 13 above or as otherwise provided in Paragraph 13.4 (b), Lessee may assign, transfer, convey or otherwise sell this Lease, or Lessee's interest in this Lease or in the Premises, or any portion thereof only with the prior written consent of Lessor, which consent may not be unreasonably withheld, conditioned or delayed. As a

condition precedent to Lessor's review for consent, the following requirements must be met:

(i) Lessee shall have given Lessor reasonable advance written notice of the proposed assignment sufficient to enable Lessor to conduct an investigation and review of the transaction and the proposed assignee;

(ii) Lessee shall have provided Lessor with such appropriate documentation as Lessor may require, including (1) all transaction, financing, and escrow documents, which shall specify any brokerage commissions, finder's fees or other charges and payments to third persons not parties to the proposed assignment, (2) if the proposed assignee is a corporation, but not a publicly traded corporation, the name and address of each shareholder and his or her shareholding interests in the proposed assignee, (3) if the proposed assignee is a partnership, limited liability company or joint venture, the name and address of each general partner, member, or joint venturer, and a statement of his or her equity interest in the proposed assignee, (4) evidence of the proposed assignee's business history, including information relative to its status as a Multi-facility Entity, (5) current financial statement(s) for the proposed assignee(s) or any Controlling Members, (6) the last three years' income tax returns for the proposed assignee(s), or general partners or members thereof, if the proposed assignee is a partnership, (7) the business plan and financial projections of the proposed assignee(s), (8) a statement of any litigation affecting the proposed assignee(s) or any Controlling Members, (9) identification of each operator or independent contractor the proposed assignee intends to use in its business operations on the Premises, including name, address, business experience and references, (10) copies of any management or operation agreements between the proposed assignee and its independent contractors which shall be subject to specific prior' approval by Lessor applying commercially reasonable standards, (11) such other information and material that evidences that proposed assignee or its Controlling Members have the experience, reputation, business background and financial capacity to reasonably ensure the continued prompt performance of the obligations of Lessee under this Lease after such assignment is to become effective and, (12) such other documents and information as may be reasonably required by Lessor to determine the commercial reasonableness of the proposed assignment. For purposes of this Lease, (x) "Control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the legal entity, whether through the ownership of voting securities or by contract or otherwise; and (y) "Controlling Member(s)" shall mean the shareholder(s), partner(s), member(s) or joint venturer(s) who Control(s) the legal entity.

(iii) The proposed assignee shall expressly agree in a writing in a form acceptable to Lessor to be bound by all of the terms, covenants, conditions and agreements of this Lease;

(iv) Lessee is not in default;

(v) Lessee shall pay Lessor a non-refundable fee for processing each request for approval of assignment in a reasonable amount under the circumstances in light of the size, nature, complexity and expertise required to review said proposed assignment, plus all Lessor Costs that may be incurred in connection with the processing of said assignment, including without limitation the cost of making investigations as to the acceptability of the proposed assignee;

(vi) The proposed assignee shall, in Lessor's commercially reasonable business judgment, have sufficient business reputation and/or experience to operate a successful business of the type and quality permitted under this Lease;

(vii) Concurrently with the initial submission of assignment documents and information specified in subparagraph (ii) above, Lessee shall demonstrate to Lessor the ability to pay, or cause to be paid, the amount of real estate transfer tax, if any, due the appropriate governmental entities under the applicable laws, ordinances, rules and regulations of those entities;

(viii) The proposed assignee(s) shall provide all funds necessary and shall open all appropriate accounts to hold any Renovation Fund and Capital Improvement Fund required to be made under this Lease;

(ix) The proposed assignee(s) shall provide to Lessor all funds necessary to replace, replenish, or increase any security deposit required to be made under this Lease; and,

(x) The Lessee shall pay Lessor all sums due as "Appreciation Rent" for an assignment of this Lease, if any, under and pursuant to Article 18 below.

(b) Except with regard to a Permitted Transfer (as defined in Section 15.1(f) below) and except with regard to any sale and assignment occurring during the first ten (10) years of the Lease Term, if Lessee shall determine to sell and assign the Leasehold, Lessee shall notify Lessor in writing of the price and the material terms upon which Lessee desires to sell and assign the Leasehold (a "Sale Notice"). If Lessor, within ninety (90) days after Lessor's receipt of the Sale Notice, notifies Lessee in writing of Lessor's election to purchase the Leasehold for the price and on the terms stated in the Sale Notice (a "Buy Notice"), Lessee shall sell and assign the Leasehold to Lessor for the price and on the terms stated in the Sale Notice. If Lessor does not deliver a Buy Notice to Lessee within such ninety (90) day period, Lessee thereafter shall have the right to sell and assign the Leasehold to a third party, but only for a price not less than ninety-five percent (95%) of the price offered to Lessor in the Sale Notice and on terms not materially more favorable to the transferee than those stated in the Sale Notice. If Lessee does not so sell and assign the Leasehold, or enter into a written agreement for such sale and assignment of the Leasehold, within one hundred eighty (180) days after Lessor's receipt of the Sale Notice, any further proposed sale of the Leasehold (including a transaction at the same price and on the same terms previously submitted to Lessor in the Sale Notice) shall be deemed a new determination by Lessee to sell

and assign the Leasehold, and the provisions of this Section 15.1(b) shall again be applicable. The obligations and rights under this Section 15.1(b) shall not survive any sale of the Leasehold to a third party pursuant to the terms of this Section 15.1(b), and therefore shall not apply to any subsequent sale of the Leasehold. If Lessor exercises the option set forth herein, Lessee shall thereafter be relieved and released from all duties and obligations under this Lease arising after the date of assignment of the leasehold to Lessor. For purposes of this Section 15.1(b), a proposed sublease of a majority of the income-producing square footage of the residential component of the Premises for at least seventy-five percent (75%) of the remainder of the Lease Term, shall be an assignment, and Lessor shall have all rights specified herein with respect to such sublease.

(c) If Lessee is a corporation, a partnership of any kind, a limited liability company, or an unincorporated association, any Transfer shall be an assignment. If Lessee is a corporation, but not a publicly traded corporation, Lessee shall concurrently with the execution of this Lease deliver to Lessor a list of all shareholders of the corporation, which list shall be certified to be true and correct by the secretary of the corporation. Lessee shall give Lessor written notice of any proposed Transfer at least ten (10) days prior to such Transfer taking place and regardless of whether such Transfer is itself an assignment or will be deemed to be an assignment under this Article 15. If Lessee is a partnership, limited liability company, joint venture or unincorporated association, Lessee shall concurrently with the execution of this Lease deliver to Lessor a list of all partners, members, joint venturers or owners constituting Lessee, specifying the type of partner, membership and percentage ownership interest of each partner, member, joint venturer or owner, which list shall be certified to be true and correct by at least one general partner or managing owner of Lessee. Further, if any proposed transferee is a partnership, limited liability company, joint venture or unincorporated association, a similar certified list of partners, joint venturers or owners in the proposed transferee shall be delivered to Lessor together with the written notice of proposed transfer specified above. Notwithstanding the foregoing, the holders of equity interests in Lessee, in whatever form held, may make transfers for estate planning purposes without notice to Lessor, provided that control of Lessee does not change with such transfer. All lists to be submitted hereunder may be treated as Confidential Information under Article 52 of this Lease.

(d) Except as expressly stated above, any assignment without Lessor's prior written consent shall be void and, at the option of Lessor if the same is material, may be grounds for terminating this Lease.

(e) Neither an assignment of this Lease by Lessee nor Lessor's consent to any assignment shall operate to release or discharge Lessee from any obligations under this Lease unless Lessor's written consent to assignment expressly so states. After any such assignment, Lessee shall have the right to perform any obligations under this Lease on behalf of its assignee, and Lessor shall permit such performance. In addition, if Lessee performs any obligations of its assignee because of the assignee's failure to do so, a reconveyance of the leasehold interest to Lessee from such assignee shall be deemed

permitted without any requirement of consent by Lessor; provided, however, that Lessor shall receive notice of any such reconveyance.

(f) Notwithstanding anything contained in this Section 15.1 to the contrary (including, without limitation, Section 15.1(c) above), Lessor's consent shall not be required for a transaction (herein a "Permitted Transfer") by which all or part of a Constituent Member's interest in Lessee is conveyed, provided that, after each conveyance, either a Constituent Member or The Bascom Group, LLC, a California limited liability, is a managing member of Lessee and holds no less than a thirty-five percent (35%) ownership interest in Lessee, and there are no managing members other than the entities described in this sentence.

15.2. Assignments Pursuant to the Bankruptcy Code

The restrictions on assignments of this Lease and other terms and conditions set forth in Paragraph 15.1, and the provisions relating to Appreciation Rent set forth in Article 18, below, shall, to the extent allowed by law, apply to any assignment, transfer, conveyance or sale of this Lease, or any interest of Lessee under this Lease, pursuant to the Bankruptcy Code, or by operation of law. In addition, the following restrictions shall be conditions precedent to the effectiveness of the assignment or other transfer, conveyance or sale of this Lease:

(a) Any person or entity to which this Lease, or any interest herein, is so assigned, transferred, conveyed or sold, shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment. Any such assignee shall, upon demand by Lessor, execute and deliver to Lessor a written document confirming such assumption, in a form reasonably acceptable to Lessor.

(b) Such assignee shall provide Lessor with cash deposits, appropriate bond or bonds, personal guarantees or other forms of security acceptable to Lessor to ensure the future performance of the obligations of Lessee remaining to be performed under this Lease, provided such cash, bond or security is in commercially reasonable amounts, taking into account Lessee's past performance under this Lease and the extent and nature of the proposed assignee's future obligations hereunder.

(c) Any and all money, cash equivalents, or other consideration payable or otherwise to be delivered in connection with each assignment, shall be paid or delivered to Lessor, shall be and remain the exclusive property of Lessor and shall not constitute property of Lessee or of the estate of Lessee within the meaning of the Bankruptcy Code. Any and all money or other consideration constituting Lessor's property under the preceding sentence not paid or delivered to Lessor, shall be held in trust for the benefit of Lessor and be promptly paid or delivered to Lessor.

15.3. Restrictions on Subletting

Lessee shall not sublet the Premises, or any portion thereof, or any right or privilege appurtenant thereto, and shall not sublet any buildings, or other structures on the Premises, without the prior written consent of Lessor; provided, however, no such approval is required for and the requirements of this Paragraph 15.3 shall be inapplicable to, the ordinary rental of marina slips, hotel rooms, rooms for group meetings and events, and apartments. Lessor shall act reasonably and promptly in reviewing and granting or denying its approval of subleases pursuant to this paragraph. Lessor need not approve any sublease if, among other reasons, Lessee is in default under any provision of this Lease at the time Lessor's consent is requested or at the time the sublease is to be or become effective, or if Lessor has a reasonable belief that the sublease has been so structured and negotiated to avoid the sublease being considered as an assignment under Paragraph 15.1, nor must Lessor approve any sublease which does not, as a minimum, submit to the following criteria:

(a) Lessee shall give Lessor reasonable advance written notice of the proposed sublease, providing appropriate documentation to Lessor as Lessor may reasonably require relating to the financial capacity and reputation of the proposed Sublessee (excluding limited partners and shareholders), including but not limited to a statement of pending litigation involving the proposed sublessee, past employment and business history of sublessee and its managing agents or officers, and a listing of felony convictions of sublessee, or each separate entity or person making up sublessee,

(b) Sublessee must acknowledge in writing that Sublessee has had an opportunity to review and has reviewed the terms and provisions of this Lease,

(c) Sublessee must acknowledge in writing that the sublease is subordinate and subject to this Lease and that sublessee shall attorn to Lessor in the event Lessor succeeds to the interests of Lessee/sublessor. All subleases entered into after the Commencement Date shall include a provision that expressly makes the Sublessee subject and subordinate to this Lease, including without limitation the provisions regarding reporting Gross Receipts and the keeping of records related thereto; provided, however, at Lessor's option this subordination may be waived by Lessor. For clarity, a sublease provision as required by the preceding sentence shall mean that in the event of termination of this Lease, at the option of the Lessor, Sublessee's sublease may be terminated by Lessor even where Sublessee is not in default under its sublease.

(d) By consenting to the sublease, regardless of whether or not the sublease contains provisions for the renegotiation of the rental to be paid by sublessee to Lessee/sublessor, Lessor shall not be deemed to have waived its right to renegotiation of rentals under this Lease and Lessee/sublessor shall be bound by all rent renegotiation provisions of this Lease applicable to Gross Receipts generated pursuant to each sublease. All subleases entered into by Lessee as sublessor shall provide that:

(i) the Sublessee shall be subject to all rental revisions arising out of any rental renegotiation between Lessor and Lessee under Article 5 above, as applied to the business operations of the sublessee and all Gross Receipts derived there from; or

(ii) effective upon any attornment by the Sublessee to Lessor, the sublease will be deemed to have expressly provided for the renegotiation of rentals, both minimum and percentage, if applicable, concurrently with the time period when Lessor and Lessee would be required to renegotiate said rentals under this Lease and the procedures for the conduct of such renegotiations between sublessee and Lessor shall be those specified in Article 5 above.

(e) If the business activities of the proposed Sublessee to be conducted on the sublet portion of the Premises will generate Gross Receipts as that term is defined in this Lease, the sublease shall contain an express provision obligating the proposed sublessee to conduct its business activities as a continuous operation during all normal business hours as required by Article 24 below.

(f) No sublease term shall exceed or extend beyond the Lease Term.

(g) The Sublessee must acknowledge in writing that Sublessee waives all claims against Lessor for damages to goods, wares, merchandise, buildings, installations or other improvements in, upon, or about the sublet portion of the Premises, and agrees that sublessee shall indemnify and save harmless Lessor Parties from and against any and all claims, demands, loss or liability of any kind or nature which Lessor Parties may sustain or incur or which may be imposed upon them or any of them (i) for injury or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the sublease or with the occupancy and use of any portion of the Premises by Sublessee, its officers, agents, employees, contractors, concessionaires, licensees, patrons or visitors, and (ii) in connection with any and all liens for labor, services, supplies or materials arising out of the design, construction, repair, alteration or installation of structures, improvements, equipment or facilities within the Premises caused by Sublessee.

(h) Any mortgage, pledge, hypothecation, encumbrance, transfer, sublease or assignment of Sublessee's interest in the Premises, or any portion thereof, whether voluntarily or by operation of law, shall first be approved in writing by Lessor, and if not so approved, shall be void.

(i) Sublessee shall not discriminate against any person or class of persons by reason of sex, race, color, religious creed, ancestry, national origin, age, disability, physical handicap, sexual orientation, medical condition or marital status, and shall make its accommodations and services available to all persons on a non-discriminatory basis.

(j) No alterations, improvements, or erecting of signs may be accomplished by sublessee on the Premises without the prior written approval of Lessor and such other governmental agencies as may have jurisdiction over said work.

(k) Lessee pays a non-refundable fee to Lessor for processing each request for consent to a sublease in an amount which under the circumstances in light of the size, nature, complexity and expertise required to review said proposed sublease, plus Lessor's reasonable out-of-pocket. expenses paid to unrelated third parties such as attorneys, accountants and other consultants connected with the processing of the request for consent to sublease, and the value of services provided by employees of Lessor, its elected officials, in-house counsel and lease administrators.

(l) Under the sublease, sublessee shall expressly agree in writing to maintain and make available for inspection by Lessor all Records required by Article 5 above, in the manner set forth in that Article.

(m) Lessee/sublessor shall grant sublessee only non-exclusive rights for the conduct of any business activities and operations on the Premises, unless Lessor shall expressly agree otherwise in writing.

Notwithstanding anything to the contrary contained in this Section 15.3, (i) Lessor hereby consents to the Chart House Sublease and the provisions of this Section 15.3 shall not apply to the Chart House Sublease unless required in the Chart House Sublease or the Old Lease; and (ii) Lessor's consent shall not be required for, and the provisions of this Section 15.3 shall not apply with respect to, any subleasing of residential units on the Premises, legally approved and existing or the subleasing of all or any portion of the office space comprising approximately 500 square feet located on the ground floor of the southerly boundary of the Premises adjacent to the existing parking garage. Notwithstanding the termination of the Old Lease pursuant to subparagraph 4(b) above, said termination shall in no event cause the termination of the Chart House Sublease, it being the understanding of the parties that, upon the commencement of the Term of this Lease, the leasehold estate created by this Lease shall serve as the leasehold estate underlying the Chart House Sublease and the Chart House Sublease shall continue in full force and effect as between Lessee and the Subleasee under the Chart House Sublease upon the same terms and conditions as existed immediately prior to the commencement of the Term of this Sublease.

15.4. Restrictions on Subtenants' Right to Encumber

(a) No Subtenant shall mortgage, pledge, hypothecate, encumber, sublet or assign its interest in the Premises as security, whether voluntarily or by operation of law, without obtaining Lessor's and Lessee's prior written consent. Lessor and Lessee each reserve the right to consent or withhold its consent to any such proposed encumbrancing as Lessor and Lessee shall determine, in their respective commercially reasonable discretion. Any such encumbrancing shall only be on such terms as may be satisfactory to Lessor and Lessee. Lessee shall submit to Lessor the proposed terms and conditions of any such encumbrancing by a Sublessee, including the terms of any loan connected therewith, and

shall deliver to Lessor any other documents and information Lessor may reasonably request in determining whether or not to consent or withhold its consent to such encumbrance.

(b) Lessee shall pay a non-refundable fee to Lessor for processing each request for consent to an encumbrancing of a subleasehold estate in an amount which is reasonable under the circumstances in light of the size, nature, complexity and expertise required to review said proposed encumbrance, plus all Lessor Costs.

(c) The provisions of this Section 15.4 shall not apply to any encumbrance, or proposed encumbrance, of the subtenant's interest under the Chart House Sublease, which encumbrances shall be allowed if approved by Lessee.

15.5. Lessor's Discretion

(a) In granting its consent to any sublease or related encumbrancing, Lessor shall have the right to impose upon the proposed Sublessee, as a condition to its consent, compliance with all terms, covenants, conditions and agreements in this Lease. Any subletting or encumbrancing of a subleasehold estate by a Sublessee, or by Lessee as sublessor, without such consent, shall be considered an event of default under this Lease.

(b) Lessee acknowledges and understands that Lessor cannot closely monitor all activities of Lessee and its Sublessors connected with their operations on the Premises and must depend on Lessee's good faith monitoring and reports of such activities.

15.6. Assignment and Sublease Documents

It shall be the sole responsibility of Lessee to ensure that all documents relating to any assignment or sublease of all or any portion of the Premises shall be consistent with the terms and provisions of this Lease, and particularly this Article 15.

15.7. Consent Not a Waiver

Any consent by Lessor to one assignment, transfer, conveyance, sale, subletting, occupation or use by any person shall not be deemed to be a consent to any subsequent assignment, transfer, conveyance, sale, subletting, occupation or use, nor shall such consent constitute or operate as a waiver, release, modification or abandonment by Lessor of any rights or claims of Lessor under this Lease.

(a) Notwithstanding any provisions herein to the contrary, for purposes of this Article 15, the terms "assignment" and "subletting" shall not be construed or interpreted to mean or include the renting or leasing of motel or hotel accommodations, meeting or event

space, apartments, or the renting or leasing of boat slips on the Premises. However, the renting or leasing of apartment, motel, or hotel accommodations, meeting space, or boat slips shall come under any applicable operating rules and regulations of Lessor (except for residential leases with terms of at least 30 days). If Lessee rents or subleases any apartment, motel, or hotel accommodations, meeting spaces or boat slips contrary to the rules and regulations of Lessor, or in violation of any other applicable rules or regulations, Lessor reserves the right to require that Lessee cancel the lease of any such apartment, motel, or hotel accommodations, meeting space or boat slip rented contrary to such operating rules and regulations by delivering written notice of required cancellation to Lessee. Lessee shall thereafter cancel the rental within ten (10) days after delivery of said notice. If Lessee fails to effect the cancellation within said ten-day period, such failure shall be considered an event of default under this Lease.

(b) Lessee acknowledges and understands that Lessor cannot closely monitor all activities connected with the renting or leasing of apartment, motel, or hotel accommodations, or the renting or leasing of boat slips on the Premises, or any month-to-month rental, and must depend on Lessee's good faith monitoring and reports of such activities.

15.8. Permitted Transactions Under Chart House Sublease.

No assignment or subleasing under the Chart House Sublease that does not require Lessee's consent in its capacity as Lessor thereunder, or which would not have required Lessor's consent under the Old Lease shall be deemed a default hereunder.

16. Default

16.1. Definition of Default

Subject to the rights of an encumbrance holder as stated in Paragraph 16.2 the following shall be deemed a default by Lessee and, subject to Paragraph 16.2, a material breach of this Lease:

(a) Failure to pay Minimum Monthly Rental, Percentage Rental, Appreciation Rent, taxes of any type or nature connected with the Premises or the possession, use or occupation of the Premises, or any other sum, fee, or assessment specified under this Lease to be paid by Lessee to Lessor;

(b) Failure to furnish any Monthly Financial Statement or Annual Financial Statement pursuant to Article 5 above, within the time required;

(c) Failure to reimburse Lessor within the time required for the cost of auditing any Monthly Financial Statement or Annual Financial Statement pursuant to Article 5

above;

(d) Permitting the Premises, or any portion thereof, to be used for any purpose or purposes not authorized by or in violation of Article 6 above or causing a violation of the trust referenced in Article 6 above;

(e) Failure to submit schematics, preliminary plans, working drawings, environmental assessments or draft supplemental or subsequent environmental impact reports for the required improvements to be constructed on the Premises pursuant to Article 7 above, within the time required;

(f) Failure to complete construction of the required improvements to be constructed on the Premises pursuant to Article 7 above, within the time required;

(g) Failure to replenish or increase the Deposit pursuant to Article 8 above, within the time required;

(h) Failure to, provide any bond required to be provided by Lessee under Article 8 above, according to all terms, provisions and conditions specified therein;

(i) Failure to provide any additional Deposit, or any sums required for the annual adjustment thereof, pursuant to Article 8 above;

(j) Failure to keep, maintain and repair the Premises, and all improvements on the Premises pursuant to the requirements specified in Paragraph 9.1(a) above;

(k) Failure to submit schematics, preliminary plans, working drawings, environmental assessments or draft supplemental or subsequent environmental impact reports for the initial or interim modernization programs pursuant to Paragraphs 9.2 or 9.3, above, within the time required;

(l) Failure to complete construction or implementation of the initial or interim modernization programs pursuant to Article 9, above, within the time required;

(m) Failure to replenish the additional security and/or to pay Lessor required sums to cover the cost of removing debris from any water area within the Premises pursuant to Paragraph 9.5 above, within the time required;

(n) Failure to pay Lessor for the cost of repairs and replacements made by Lessor pursuant to Paragraph 10.1 above, within the time required;

(o) Encumbering, or attempting to encumber, Lessee's interest in the Premises, or any part thereof, or in the improvements on the Premises, or any part thereof, without first obtaining Lessor's prior written consent to such encumbrance pursuant to Article 13

above;

(p) Encumbering, or attempting to encumber the tide and submerged lands or fee simple title to the Premises, or any part thereof;

(q) Failure to reimburse Lessor for all costs associated with a Hazardous Substance contamination of the Premises caused or contributed to by Lessee, or its Subtenants, pursuant to Paragraph 14.3(f) above, within the time required;

(r) Failure to maintain required insurance or insurance coverages, or to implement changes in such insurance or insurance coverages, pursuant to Article 14 above, within the time required;

(s) Voluntarily assigning, or attempting to voluntarily assign, Lessee's interest under this Lease in the Premises, or any part thereof, or improvements thereon, without first obtaining Lessor's prior written consent to such assignment, pursuant to Article 15 above;

(t) Subletting, or attempting to sublet, all or any portion of the Premises, or improvements thereon, without first obtaining Lessor's prior written consent to such subletting pursuant to Article 15 above within the time required;

(u) Permitting any Sublessee to encumber its subleasehold estate without Lessor's prior written consent in violation of Article 15 above within the time required;

(v) Failing to cancel or cause the cancellation of any hotel, motel or boat slip rental arrangement pursuant to Paragraph 15 above, which is contrary to Lessor's rules and regulations therefore, within the time required;

(w) Failure to maintain and use the Renovation Fund in accordance with Paragraph 9.2 above;

(x) Abandonment of the Premises by Lessee at any time during the Lease Term;

(y) Failure of Lessee to commence the repair, construction, reconstruction, replacement or restoration of the Premises, or any part thereof, or any building, structure or other improvement thereon, within the time required, and/or to diligently prosecute such work to completion, pursuant to Articles 19 or 20 below;

(z) Failure of Lessee or its Sublessees to conduct business operations on the Premises in full compliance with the effective schedules and procedures therefore, pursuant to Article 24 below;

(aa) Failure to maintain and use the Capital Improvement Fund in accordance with Paragraph 7.7 above;

(bb) Failure to maintain membership in any association for lessees within the Harbor Area and/or failure to pay dues or other charges or assessments as may be imposed on Lessee by said association, where membership is required pursuant to Paragraph 27 below;

(cc) Failure to do, observe, keep and perform any of the covenants, conditions and agreements of this Lease to be done, observed, kept or performed by Lessee;

(dd) Submission by Lessee to Lessor of any financial statement, balance sheet, income statement or other financial information including, without limitation, any schedule of aged accounts payable, containing any misleading or materially false information;

(ee) Failure to immediately commence curing of any default involving action other than the payment of money, and promptly to proceed in good faith to rectify the same and prosecute the same to completion with diligence;

(ff) Any involuntary assignment or transfer of Lessee's interest in the Premises under this Lease or any part thereof, or improvements thereon, without first obtaining the prior written consent of Lessor;

(gg) Appointment of a receiver of the business or assets of Lessee, or of a member or partner of Lessee, if Lessee is a general partnership or joint venture, or of a general partner of Lessee, if Lessee is a limited partnership, except a receiver appointed at the instance and request of an approved encumbrance holder; and

(hh) The making of a general assignment or an assignment for the benefit of creditors, whether voluntarily or involuntarily, by Lessee, by a member or partner of Lessee, if Lessee is a general partnership or joint venture, or by a general partner of Lessee, if Lessee is a limited partnership.

As used in this Lease, the word "default" includes the word "breach."

16.2. Lessee's Right to Cure a Default

(a) As to any default identified in Paragraph 16.1 above, which can be cured by the payment of money to Lessor, an encumbrance holder or other governmental entity or agency, Lessee may cure such default by making the required payment within ten (10) days after receiving written notice from Lessor to remedy or cure such default.

(b) As to any default identified in Paragraph 16.1 above, which cannot be cured by the payment of money, and excluding the events of default identified in subparagraph (ii), above, Lessee may cure such default by promptly taking such action and doing such things as may be necessary to cure such default within thirty (30) calendar days after receipt

of written notice from Lessor; provided that in the event the cure shall take more than thirty (30) days, the time shall be extended for a reasonable time so long as Lessee continuously pursues the cure.

(c) As to any default identified in subparagraph (ii), above, Lessee may cure such default by obtaining and delivering to Lessor, a dismissal of the legal proceedings upon which the event of default is based within sixty (60) calendar days after receipt of written notice from Lessor to remedy or cure such default.

16.3. Lessor Remedies

(a) If Lessee fails to cure a default within the time and in the manner specified in Paragraph 16.2 above, then, in addition to any other remedy Lessor may have by operation of law, including all rights available to Lessor under Sections 1951.2 and 1951.4 of the Civil Code of the State of California (where a lessor is given the right, among others, to continue the lease in effect after a lessee's breach and abandonment and recover rent as it becomes due, if the lessee has a right to sublet or assign, subject to reasonable limitations), or otherwise provided herein, Lessor shall have the right and option, upon notice, to:

(i) Declare this Lease at an end, in which event Lessor shall be entitled to recover, in addition to any other damages, the worth at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of the award exceeds the amount of such rental loss for the same period that the Lessee proves could be reasonably avoided; or

(ii) Without terminating this Lease, Lessor may give the Sublessees written notice of default, and may collect all rents, issues, profits, fees, charges, deposits and other sums from the Sublessees otherwise due, owing and payable to Lessee and apply such sums against obligations owing to Lessor by Lessee under this Lease; and/or

(iii) Without terminating this Lease, relet all or part of the Premises, as the agent for and for the account of Lessee, upon such terms and conditions as Lessor may deem advisable, in which event the rents received on such reletting shall be applied first to the expenses of Lessor in such reletting and collection, including the cost of advertising, any necessary renovation and alterations of the Premises to accommodate the requirements of the new tenant, all Lessor Costs, any real estate commissions paid, and thereafter to payment of all sums due or to become due Lessor under this Lease. If a sufficient sum is not realized to pay all such costs and expenses and other charges, Lessee shall immediately pay Lessor, upon demand, any deficiency, even though Lessor may have received rental in excess of the rental stipulated to in this Lease in previous or subsequent months, and Lessor may bring an action therefor as such monthly deficiency shall arise. Lessor shall in no event be liable in any way for failure to relet the Premises, or in the event that the Premises are relet, for failure to collect the rent therefor under such reletting; or

(iv) At the option of Lessor, this Lease shall continue in effect for the remainder of the Lease Term so long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all of the rights and remedies under this Lease, including, but not by way of limitation, the right to recover from Lessee the rent, and all other sums and amounts as they become due hereunder.

16.4. Right of Re-Entry

The exercise of any right of re-entry by Lessor under Paragraph 16.3 above, shall be allowed by Lessee without hindrance, and Lessor shall not be liable in damages to Lessee or its Sublessees for any such re-entry, or be guilty of trespass or forcible entry.

16.5. Percentage Rental upon Default

For purposes of this Article 16 and in addition to the Minimum Monthly Rental otherwise payable to Lessor, the additional Percentage Rental for any period after default payable to Lessor by Lessee shall be at a monthly rate, equal to the average monthly Percentage Rental that Lessee was obligated to pay Lessor during the twelve (12) months immediately preceding the month during which the default occurred (taking into account Minimum Monthly Rentals paid by Lessee during that period) or the actual Percentage Rental due hereunder, whichever amount is greater.

16.6. Lessor's Right to Cure Default

In the event of Lessee's breach or default of any term, covenant or condition in this Lease, Lessor may, at any time after ten (10) days written notice of default to Lessee and Lessee's failure to cure, act to cure such default for the account of and at the expense of Lessee. If Lessor at any time by reason of such breach or default is compelled to pay, or elects to pay, any sum of money or to do any act which will require the payment of any sum of money, or is compelled to incur any expense, including fees on account of services rendered or work performed by accountants or consultants, or reasonable attorneys' fees in instituting, prosecuting, or defending any actions or proceedings to enforce Lessor's rights under this Lease or otherwise, the sum or sums paid by Lessor shall bear interest at the lesser of twelve percent (12%) per year or the maximum rate then allowed by law, and all such interest, costs and damages shall be deemed to be additional rent under this Lease and shall be due from Lessee to Lessor on the first day of the month following the incurring of such expenses.

16.7. Attorneys' Fees

In the event of any action by either party hereto against the other by reason of the breach of any covenant or condition on the part of the other party or arising out of this Lease, then the prevailing party in whose favor final judgment shall be entered shall be entitled to recover attorneys' fees and costs.

16.8. Right to Legal and Equitable Remedies, Waiver and Judicial Reference

(a) In the event of a default or threatened default by either party of any term, covenant, condition or agreement of this Lease, the other party shall have the right of injunction and the right to invoke any remedy allowed by law or in equity. Mention in this Lease of any particular remedy shall not preclude either party from any other remedy at law or in equity.

(b) Lessor and Lessee waive all rights to trial by jury in any action, proceeding or counterclaim brought by either of them against the other on any matters arising out of this Lease or the use and occupancy of the Premises (except claims in unlawful detainer or for personal injury or property damage). If Lessor commences any summary proceeding for nonpayment of rent or other sums due under this Lease, Lessee will not interpose (and waives the right to interpose if any such right exists) any counterclaim in any such proceeding.

16.9. Rights of Sublessee

Subject to Paragraph 15.3 (c), any Sublessee shall have the right, at its election, to cure a curable default under this Lease. If any such Sublessee cures all defaults then existing which are capable of being cured, Sublessee's possession and use shall not be disturbed by Lessor as long as (a) Sublessee performs in accordance with the terms of its sublease, and (b) Sublessee attorns to Lessor.

16.10. No Lessee Rights After Termination

Except as otherwise provided in Paragraphs 16.3 and 16.4, above, should Lessor exercise rights available to it by law, or under this Lease, to terminate this Lease and all of Lessee's rights hereunder, such termination shall be without compensation to Lessee for any remaining value of this Lease or any leasehold improvements on the Premises, and title to such improvements will automatically revert to Lessor as provided in Paragraph 11.2 above. Lessee shall execute such documents as may be necessary to effectuate the transfer of title to the improvements and hereby appoints Lessor as its attorney-in-fact to execute

such documents on Lessee's behalf.

17. [Intentionally Omitted.]

18. Appreciation Rent

18.1. Intention of the Parties.

The parties agree that upon the occurrence of certain events as set forth in Sections 18.2 and 18.3, if Lessee receives cash proceeds as a result of such events, Lessor shall receive a portion of such proceeds as Appreciation Rent. For these purposes, receipt by Lessee of value in a form other than cash will be treated as receipt by Lessee of the cash equivalent of such value.

18.2 Payment Upon Financing.

If Lessee borrows money whose repayment is secured, directly or indirectly, by Lessee's leasehold interest hereunder, Lessee shall pay Lessor a sum equal to ten percent (10%) of the Net Financing Proceeds as Appreciation Rent. Such Appreciation Rent shall be due and payable immediately upon the funding of the loan, and shall be payable in addition to any other sums payable by Lessee under this Lease. The foregoing provisions of this Paragraph 18.2 shall not apply to the first refinancing during the Lease Term, provided it closes during the first ten (10) years of the Lease Term, or any foreclosure or deed in lieu of foreclosure with respect to such financing.

18.3. Payment Upon Assignment.

If Lessee sells or assigns its interest in this Lease, directly or indirectly, Lessee shall pay Lessor a sum equal to ten percent (10%) of the Net Sale Proceeds as Appreciation Rent. Such Appreciation Rent shall be due and payable immediately upon the closing of the sale or assignment, and shall be payable in addition to any other sums payable by Lessee under this Lease. This obligation shall apply to all sales or conveyances, including, without limitation, conveyances of fractional ownership interests in Lessee, to the extent that the sale or assignment results in proportional Net Sales Proceeds over the investment of the selling partner or member; provided, however, that during the first eighteen (18) months of the Lease Term, the obligation to pay Appreciation Rent shall not apply to any transaction by which one Constituent Member of Lessee, or an Affiliate thereof, acquires, directly or indirectly, all of the interest in Lessee held by the other Constituent Member, and no such transaction shall be deemed to increase the Base Value. For these purposes, an Affiliate of a Constituent Member shall mean an entity controlling, controlled by, or under common

control with such Constituent Member, where "control" means the sole ability, without the approval of any other entity, to direct the ordinary business of the controlled entity. For purposes hereof, if Lessee receives proceeds pursuant to a condemnation or eminent domain proceeding, Appreciation Rent shall be calculated as if Lessee had sold a portion of its interest in this Lease equal to the portion of the Premises taken by the condemning authority; Appreciation Rent shall be payable based on the excess, if any, of the proceeds over the pro rata portion of the Base Value equal to the portion of interest sold, as calculated above.

18.4. Exempted Transactions

Notwithstanding anything to the contrary contained in the foregoing, the obligation to pay Appreciation Rent pursuant to Paragraph 18.3 above shall not apply with respect to the first assignment or other transfer of the Leasehold occurring during the first ten (10) years of the Lease Term (excluding any acquisition by an Affiliate or Constituent Member of an Affiliate described in the previous section).

18.5. Arbitration of Appreciation Rent Disputes.

(a) The arbitration procedure for determination of Appreciation Rent disputes between Lessor and Lessee following a refinancing, sale or assignment of this Lease pursuant to Paragraphs 18.1 or 18.2 above, shall be the same procedure specified for resolution of Percentage Rental renegotiation disputes set forth in Paragraph 5.9 above, except that the period as provided above within which the parties are to jointly appoint a single neutral arbitrator, shall be thirty days commencing to run from the Appreciation Rent Deadline. Further, the arbitrator(s) shall determine the Lessee's Interest in the Premises and thereafter calculate the Appreciation Rent.

(b) The amount owing to Lessor as Appreciation Rent shall be paid out of escrow upon joint instructions of Lessor and Lessee using the arbitrators' decision as the basis of the instruction, within ten (10) days following delivery of the arbitrators' written decision to Lessee and Lessor.

NOTICE: BY INITIALING IN THE SPACE BELOW, YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF APPRECIATION RENTS DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. BY INITIALING IN THE

SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS . THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF VALUATION DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF APPRECIATION RENT DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

Lessor's Initials Lessee's Initials

_____ _____

19. Condemnation

19.1. Termination on Total Taking

If title to all of the Premises is taken for any public or quasi-public use under any statute, or by right of eminent domain, by any duly empowered public entity, including Lessor, then this Lease shall terminate on the date that possession of the Premises is taken.

19.2. Termination on Partial Taking

If title to so much of the Premises is taken for any public or quasi-public use under any statute or by right of eminent domain by any duly empowered public entity, including Lessor, such that it is economically infeasible for Lessee to use and operate the remaining portion of the Premises for the purposes contemplated by this Lease, Lessee may, at its option, terminate this Lease as of the date that possession of such part of the Premises is taken, provided Lessee shall give written notice to Lessor of its intention, within thirty (30) days following the date that possession of such part of the Premises is taken.

19.3. Adjustment of Rent on Partial Taking

If any part of the Premises shall be so taken and this Lease is not terminated pursuant to the provisions of Paragraph 19.2, above, then this Lease shall, as to the part so taken, terminate as of the date that possession of such part is taken, and the Minimum Monthly Rental payable hereunder shall be abated in the proportion which the percentage rental applicable to the portion of the Premises so taken, payable hereunder for the full twelve (12) month period immediately preceding the month in which such part of the Premises is taken, bears to the total percentage rental payable hereunder for said twelve (12) month period. Pursuant to Paragraph 9.1 above, Lessee shall make all necessary repairs or alterations to the buildings and improvements on that portion of the Premises not taken which is reasonably suitable for Lessee's continued occupancy for the purposes and uses for which the Premises are leased, at its own expense and subject to Lessor's prior approval. Any plans, designs or specifications for such work shall be promptly submitted to Lessor for its review and approval prior to commencement of work; Lessee shall secure, at its own expense, all permits and other approvals required for the work from the Harbor Commission, Lessor and any other agency or governmental authority with jurisdiction over said work, including all actions, studies, assessments and reports that may be required in order to comply with all requirements of CEQA and the California Coastal Act. In performing such work, Lessee shall comply with all laws, ordinances, rules and regulations applicable thereto.

19.4. Allocation of Award

Lessor shall receive all compensation for the condemnation of all or any portion of the Premises by exercise of eminent domain as may be allowed by the law then in force, except as hereinafter provided. Lessee shall be entitled to that portion of the compensation which is granted for the value of the improvements existing on the portion of the Premises subject to the taking, together with the Fair Market Value of the Leasehold attributable to the portion of the Premises taken, for the remainder of the Lease Term, plus any amount specifically awarded for costs or losses Lessee may sustain or incur in the relocation or removal of Lessee's trade fixtures.

19.5. Proration of Rent and Repayment of Security Deposit

If this Lease is terminated pursuant to this Article 19, the rent and all other obligations of Lessee hereunder shall be prorated to the date of termination, including in the event of any partial taking. If Lessee has paid, performed and observed all of Lessee's covenants and obligations hereunder, Lessor shall repay to Lessee the Deposit and any refundable fees and other payments hereunder paid by Lessee for any period beyond the date of termination, including for any partial taking (i.e. Lessee shall be entitled to a partial refund of the Deposit due to a partial taking).

20. Destruction

20.1. Destruction by Non-Insurable Peril

In the event of the destruction, whether total or partial, of any building, structure or other improvement on the Premises, which destruction results from a peril for which Lessee is not required to secure and maintain insurance under the provisions of Article 14 above, and against which Lessee has no insurance in effect at the time of such destruction, hereafter referred to as a "non-insurable peril", Lessee shall be under no obligation to repair, construct, reconstruct or restore said building, structure or other improvement. If Lessee fails to repair or reconstruct any such building, within one hundred eighty (180) days after the event of casualty, Lessor shall have the right to terminate this Lease with respect to the portion of the Premises occupied by such building.

20.2. Destruction of Lessor Owned, Controlled or Maintained Improvement

In the event of the destruction of an improvement or facility owned, controlled or maintained by Lessor, of which the Premises or improvements on the Premises are a part, and which results in the destruction of the Premises, or all or a portion of any building, structure or other improvement on the Premises, Lessor shall be under no obligation to repair, construct, reconstruct, rebuild, or restore its improvement or facility. If Lessor elects not to rebuild or restore its improvements, then, for purposes of this Article 20, the destruction applicable to the Premises shall be deemed to have been caused by a non-insurable peril. Conversely, if Lessor elects to rebuild or restore its improvements and gives written notice of its intention to do so within thirty (30) calendar days from the date of such destruction and, further, provided that the destruction applicable to the Premises was as a result of a peril for which Lessee has insurance or for which Lessee is required to secure and maintain insurance under Article 14, above, then the destruction as to the Premises, whether total or partial, shall be deemed to be by an insurable peril subject to Paragraph 20.6 below.

20.3. Termination or Destruction by Non-Insurable Peril

If the Premises are destroyed as a result of a non-insurable peril to such an extent that it is economically infeasible for Lessee to operate and use the remaining portion of the Premises for the purposes contemplated by this Lease, Lessee may, at its option, terminate this Lease as of the date of such destruction, upon Lessee giving written notice to Lessor of its intention. Such notice. must be given, if at all, within thirty (30) days following the date on which such destruction occurs,

20.4. Proration of Rent and Repayment of Security Deposit and Fees on Termination

If this Lease is terminated pursuant to the provisions of Paragraph 20.3 above, or Article 35, below, the rent and all other obligations of Lessee hereunder shall be prorated to the date of termination. If Lessee has paid, performed and observed all of Lessee's covenants and obligations hereunder, Lessor shall repay to Lessee the Deposit referred to in Article 8, above, and any refundable fees and other payments to Lessor hereunder paid by Lessee for any period beyond the date of termination.

20.5. Adjustment of Rent Upon Less Than Total Destruction by Non-Insurable Peril

If any part of the Premises shall be destroyed by a non-insurable peril and this Lease is not terminated pursuant to this Article 20 or Article 35, below, then this Lease shall, as to the part so destroyed, terminate as of the date of such destruction and the Minimum Monthly Rental payable hereunder shall be abated in the proportion which the Percentage Rental applicable to the portion of the Premises so destroyed, payable hereunder for the full twelve (12) month period immediately preceding the month in which such destruction occurs, bears to the total percentage rental payable hereunder for such twelve (12) month period immediately preceding the month in which such destruction occurs. In such event, Lessee shall, at its own expense, promptly make all necessary repairs or alterations to the buildings or improvements on the Premises which were not destroyed and which are reasonably suitable for Lessee's continued occupancy for the purposes and uses for which the Premises are leased. In so doing, Lessee shall comply with all applicable laws, rules, regulations and procedures, and shall obtain all necessary permits and governmental approvals and the plans for such work shall be submitted to and approved by the Harbor Commission in accordance with the procedure set forth in Paragraph 7.2 above.

20.6. Destruction by Insurable Peril

In the event of the destruction, whether total or partial, of any building, structure or improvements on the Premises as a result of a peril for which Lessee has insurance or for which Lessee is required to secure and maintain insurance under Article 14 above, Lessee, within ninety (90)) days from the date of such destruction, or within ninety (90) days from the date Lessor substantially completes its restoration or rebuilding work if the provisions of Paragraph 20.2 are applicable to the destruction, shall commence the repair, construction, reconstruction or restoration of said building, structure or other improvement and shall prosecute the same diligently to completion. Such repair, construction, reconstruction or restoration shall be completed in accordance with plans prepared by Lessee and submitted to and approved by the Harbor Commission pursuant to procedures set forth in Paragraph 7.2, above, and for which Lessee shall have obtained all

necessary permits and governmental approvals. Any such destruction, whether total or partial, shall in no way annul or void this Lease, except that Lessee may be entitled to a reduction of the Minimum Monthly Rental from the date of such destruction and continuing to the completion of such repair, construction, reconstruction or restoration. Such reduction shall be based upon the extent to which the making of such repair, construction, reconstruction or restoration shall interfere with the business conducted by Lessee on the Premises. Lessor shall determine the amount of the rent reduction, if any, in its commercially reasonable discretion, taking into account all rental insurance benefits connected with the Premises and payable to the parties. If the rental insurance required under Paragraph 14.6 above is not in effect at the time of such destruction for any reason, Lessee shall not be entitled to any rent reduction under this Paragraph 20.6.

20.7. Controlling Agreement

This Lease shall be considered an express agreement governing any case of damage to or destruction of buildings, structures or improvements on the Premises by fire or other casualty, and any law which purports to govern the rights of Lessor and Lessee in such a contingency in the absence of express agreement, and any successor or other law of like import, shall have no application.

21. Abandonment

Lessee shall not abandon the Premises at any time during the Lease Term. If Lessee shall abandon the Premises, or be dispossessed by process of law or otherwise, any personal property, including trade fixtures, belonging to Lessee and left on the Premises, or in any building, structure, or other improvements previously existing or made by Lessee on the Premises, shall, at the option of Lessor, be deemed to have been abandoned within the meaning of the California Civil Code and Code of Civil Procedure and, in addition to all rights and remedies allowed by law, Lessor shall have the right to recover from Lessee all costs and expenses incurred and paid by Lessor in disposing of such property, including attorneys' fees and the reasonable value of all services provided by Lessor's employees, elected officials, lease administrators and/or auditors and in-house counsel, connected therewith.

22. Waiver of Breach

No waiver of any breach or default by Lessor or Lessee shall constitute a waiver of any other breach or default, whether of the same or any other covenant or condition. No waiver, benefit or privilege voluntarily given or performed by Lessor or Lessee shall give Lessee or Lessor, as the case may be, any contractual right by custom, estoppel or otherwise. The subsequent acceptance of rent or any other payment pursuant to this Lease

shall not constitute a waiver of any preceding default by Lessee other than the default in the payment of the particular rental or other payment so accepted, regardless of Lessor's knowledge of the preceding breach at the time of accepting said payment. Nor shall the acceptance of rent or any other payment due hereunder after termination constitute a reinstatement, extension or renewal of this Lease or revocation of any notice or other act by Lessor, except as expressly agreed to in writing and signed by Lessor,

23. Compliance with the Law

23.1. Rules, Statutes and Ordinances

Lessee and all of its Sublessees shall, in all activities on or in connection with the Premises and in all uses thereof, including the making of any improvements, alterations or changes and the installation of any equipment, abide by and conform to all rules and regulations prescribed by Lessor, the City Charter of Lessor, any ordinances of said Lessor, including, but not limited to, the Building Code, any general rules of the Harbor Department of Lessor, the Harbor Commission, Fire Department and Police Department of Lessor, and any applicable federal or state statutes or municipal laws now in force or which may hereafter be in force. In the event a violation of any such rule, regulation, ordinance, statute or other law is attributable to actions or conduct of any Sublessee of Lessee, Lessee shall not be deemed to be in default under this Lease so long as Lessee acts with diligence to obtain compliance or, if unable to do so, promptly takes steps necessary to remove such Sublessee or cure the violation.

23.2 Judicial Decrees

The final judgment of any court of competent jurisdiction, or the admission of Lessee in any action or proceeding, including arbitrations or administrative proceedings to which Lessee is a party, whether Lessor is a party thereto or not, that Lessee has violated such rules and regulations, ordinance, statute, or other law in the use or occupancy of the Premises, shall be conclusive of the fact as between Lessor and Lessee.

24. Operations

24.1. [Intentionally omitted.]

24.2. [Intentionally omitted.]

24.3. Continuous Operation

Lessee and its Sublessees shall continuously conduct business operations on the Premises and shall keep the Premises open for business and cause such businesses to be conducted thereon during usual business hours of each business day that is customary for businesses of like character in Southern California. Notwithstanding the foregoing, Lessee and its Sublessees are not required to conduct business if prevented from doing so by Force Majeure, or due to temporary interruption for maintenance and repair, renovation, alteration and tenant improvement work permitted under the Lease, but only during the period reasonably required for such work. In addition, the parties acknowledge that the Chart House is only open during dinner hours, and shall not be required to operate during breakfast or lunch hours. All businesses conducted on the Premises shall maintain adequate stocks of merchandise and shall employ sufficient personnel on the Premises to operate all businesses in accordance with sound business practices. Lessee shall use commercially reasonable efforts to obtain and keep desirable tenants for the residential component of the Premises. Lessee shall, so far as reasonably possible, procure references and perform personal credit checks using reputable credit agencies to determine the creditworthiness of prospective residential tenants, investigate such references and review and analyze such credit information, and use good judgment in the selection of prospective residential tenants.

24.4. Public Purpose

In implementing this Article 24, the Harbor Director shall give primary consideration to the public purposes for which Redondo Beach King Harbor and the Harbor Area were established and are maintained.

24.5. Operating Rules

Lessee agrees that it will operate and manage the services and facilities offered on, from or in connection with the Premises in a competent and efficient manner at least comparable to other well-managed, first class operations of similar type. All services shall be available to the public to the fullest extent reasonably possible. Lessee shall at all times retain active, qualified, competent and experienced personnel to supervise Lessee's operation and to represent and act for Lessee. Lessee shall further require its attendants and employees to be properly dressed, clean, courteous, efficient and neat in appearance at all times while on the Premises. Lessee shall not employ any person(s) in or about the Premises who shall use offensive language or act in a loud, boisterous or otherwise improper manner. Lessee shall maintain a close check over attendants and employees to insure the maintenance of a high standard of service to the public and shall replace any employee whose conduct is detrimental to the best interests of the public. Lessee shall indemnify, defend and hold Lessor free and harmless from any and all claims, suits,

demands, actions and causes of action arising out of this Lease and which may be made or asserted against Lessor by any employee, or former employee, agent, representative or other person, firm or entity connected with Lessee; provided, however, no obligation of Lessee to defend or indemnify Lessor shall exist to the extent Lessor requires, over the reasonable objection of Lessee, the termination, demotion, or punishment of Lessee's employee .

25. Controlled Prices

Lessee shall at all times maintain a schedule of the prices charged for the use by the public of the facilities on the Premises or for services provided on, from or in connection with the Premises, whether they are supplied by Lessee or by its Subtenants. Lessee shall make the schedule available to the Harbor Director, or his designated representative. The prices shall be fair and reasonable, based upon the following considerations:

(a) The Premises are intended to serve a public use and to provide needed facilities to the public at fair and reasonable cost taking into account the services provided, the available amenities, and the location.

(b) Lessee is entitled to a fair and reasonable return upon its investment pursuant to the Lease.

(c) Consistent with (a) and (b) above, Lessee shall utilize commercially reasonable efforts to maximize revenues from the Premises from existing uses for the mutual benefit of both Lessor and Lessee.

26. Taxes

Lessee shall pay or cause to be paid before delinquency all taxes, assessments or fees levied, assessed or charged upon Lessee or the Premises including those levied, assessed or charged by reason of any buildings, structures, equipment, appliances or other improvements of any nature whatever utilized, erected, installed, or maintained on the Premises, or by reason of the business or other activities of Lessee or its Subtenants upon or in connection with the Premises. Lessee shall further pay or cause to be paid any fees imposed by law for licenses or permits for any business or activity of Lessee or its Subtenants upon or in connection with the Premises or under this Lease. Lessor states and Lessee acknowledges that the interest created in favor of Lessee under this Lease may be a possessory interest subject to taxation under the California Revenue and Taxation Code.

27. Lessee's Association

(a) Lessee agrees to maintain membership and pay dues, fees, and other charges (hereafter "Fees") in the King Harbor Association or any successor association sponsored by Lessor for all lessees within the Harbor Area ("Association") and to pay such Fees, if any, as may be established by the membership, to be used at the direction of the officers of such organization for the promotion of the business and public operations located within the Harbor Area; provided, that under the bylaws of such organization, no matters (including, without limitation, the election of officers and the establishment of Fees) shall be deemed to have been adopted by such organization for purposes of this Article 27 unless approved by a majority of the members of the Association at the time of adoption.

(b) The percentage of payment of Fees to be made by Lessor and Lessee shall be reasonable and the voting power of Lessor or Lessee shall be computed pursuant to the policy set forth by the Association, which policy is subject to modification and amendment from time to time upon the majority vote of the Association members and with Lessor's consent.

28. Waste

Lessee shall not commit, or suffer to be committed, any waste or nuisance upon the Premises.

29. Holding Over

This Lease shall terminate without further notice at the expiration of the Lease Term. Any holding over after the expiration of the Lease Term, or extension thereof, without the prior written consent of Lessor which shall be exercised with commercially reasonable discretion, shall be construed to be a tenancy from month to month, at a monthly rental equal to one hundred fifty percent (150%) of the Minimum Monthly Rental rate in effect at the expiration of this Lease and shall otherwise be on the terms and conditions herein specified, so far as applicable. Such holding over shall not include any time reasonably employed by Lessee in the removal of trade fixtures in the manner provided in Paragraph 11.2 for such removal. Any holding over by Lessee after expiration of the Lease Term shall not constitute a renewal or extension of this Lease or give Lessee rights in or to the Premises, except as otherwise expressly provided in this Lease.

30. Extension of Lease Term

Unless otherwise expressly agreed in a writing signed by the parties, Lessee shall have no right or option to extend the Lease Term.

31. Non-Discrimination

Lessee shall not discriminate against any person or class of persons by reason of sex, race, color, religion, creed, national origin, ancestry, age, disability, physical handicap, sexual orientation, medical condition or marital status. Lessee shall make its accommodations, services and facilities available to the public on fair and reasonable terms,.

32. Notices

Any and all notices or demands by or from Lessor to Lessee, or Lessee to Lessor, shall be in writing. They shall be served either personally, by pre-paid commercial courier providing receipt or by certified mail, postage prepaid, return receipt requested. If personally served, service shall be conclusively deemed made at the time of service. If served by certified mail or commercial courier, service shall be conclusively deemed upon delivery addressed to the party to whom such notice or demand is to be given, as hereinafter provided. Any notice or demand shall be given as follows:

If to Lessor:
City of Redondo Beach
City Hall
415 Diamond Street
Redondo Beach, California 90277

With copies to the following at the same address: City Attorney and Harbor Department Director

If to Lessee:
c/o The Bascom Group LLC
42 Corporate Park Drive, Suite 200
Irvine, California 92606
Attn: David S. Kim

With a copy to:
Landry's Restaurants
CHLN, Inc.
c/o Landry's Restaurants, Inc.
1510 West Loop South
Houston, Texas 77027
Attn: General Counsel

(b) Any notice or demand given to Lessee by Lessor shall also be given contemporaneously to any encumbrance holder of Lessee at such addresses as Lessee shall specify to Lessor in writing. All addresses provided herein may be changed by written notice given in the manner provided herein.

(b) Any notice to Landry's Restaurants shall be required only if the subject of the notice pertains to the operation or maintenance of the Chart House restaurant.

33. Coastal Commission Permits

Upon surrender, expiration or termination of this Lease, Lessee shall assign to Lessor all of Lessee's right and interest in and to any coastal permits issued in connection with the Premises and shall execute any and all documents required by Lessor or any other governmental entity to complete said assignment.

34. Reservations to Lessor

(a) The Premises are accepted by Lessee subject to any and all existing easements, encumbrances, trusts, covenants and restrictions of record. Lessor reserves the right to install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes and connections; water, oil and gas pipelines; telephone, telegraph, cable television and power lines; and the appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across and along the Premises or any part thereof, and to enter the Premises for any and all such purposes, provided that the exercise of such rights by Lessor: (i) have no adverse economic impact upon the operation of the Premises, (ii) do not block or otherwise obstruct the view from any residential unit or from the restaurant improvements, (iii) do not otherwise disrupt or interfere with the use and/or operation of the Premises by Lessee or its Subtenants, or (iv) increase the costs of owning, maintaining or operating the Premises.

(b) Lessor agrees that rights granted to third parties by reason of this clause shall contain provisions, among others provided for herein, that the surface shall be restored as nearly as practicable to its original condition upon the completion of any construction.

(c) Lessor reserves to itself, for the benefit of the public, an easement over any walkways, bikeways, roadways, waterways, parking areas and other portions of the Premises which must be open and accessible to the public in order to facilitate and promote the public's use and patronage of the Premises and Harbor Area; provided, however, nothing herein shall create or require any public use or patronage that would impact or interfere with the residential component of the Premises, or require or create any public access to residential areas not normally open to the public.

35. Lessor's Reversionary Option

In the event of a taking of the Premises, or any part thereof under Article 19, above, or a total destruction of the Premises, or a partial destruction of the Premises or any improvements thereon, as described in Article 20, above, to the extent that it is economically infeasible for Lessee to continue to operate and use the remaining portion of the Premises pursuant to this Lease, which condemnation or destruction occurs within the last five (5) years of the Lease Term, Lessee or Lessor may declare a reversion of the leasehold

by delivering written notice thereof to Lessee within ninety (90) days from the date of such condemnation or destruction. Should a reversion be declared pursuant to this Article 35, Lessor shall be entitled to the immediate possession and control of the entire Premises, subject to Lessee's right to remove its trade fixtures pursuant to Paragraph 11.2 above. This Lease shall be cancelled and terminated upon such transfer of possession or entitlement to possession of the Premises to Lessor and the parties agree that all compensation for the condemnation and all insurance proceeds payable to either party arising out of or connected with the destruction shall belong to and be the property and entitlement of Lessor, subject to the rights of any encumbrance holder under Section 13.4. Lessee shall thereafter be excused from any further performance under this Lease except for cooperating with and assisting Lessor in taking such action as may be necessary or appropriate to obtain prompt and timely payment of the condemnation award or any insurance proceeds due as a result of the destruction.

36. Successors

Subject to the provisions herein relating to assignment and subletting, each and all of the terms, conditions, and agreements herein contained shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of any and all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.

37. Captions

The titles or headings to the Articles of this Lease and Table of Contents of this Lease are not a part of this Lease, and shall have no effect upon the construction or interpretation of any part hereof.

38. Time

Time is of the essence of this Lease. Any reference in this Lease to "days" shall refer to calendar days, and not business days or working days unless otherwise specified,

39. Construction

39.1. With respect to all words used herein, the masculine, feminine or neuter gender, and the singular or plural number shall each be deemed to include the others whenever the context so indicates,

39.2. The use of the terms "including," "include," and "includes" followed by one or more examples is intended to be illustrative and shall not be deemed or construed to limit the scope of the classification or category to the examples listed.

39.3. All exhibits attached hereto are incorporated in this Lease and made part of this Lease for all purposes.

39.4. This Lease has been prepared by Lessor and its professional advisors and reviewed by Lessee and its professional advisors. The parties and their advisors believe this Lease is the product of all of their efforts, that it expresses their agreements and that it should not be interpreted in favor of either Lessor or Lessee merely because of their efforts in preparing it.

39.5 The laws of the State of California shall govern the validity, interpretation, performance and enforcement of this Lease, without giving effect to its conflicts of laws principles.

40. Savings Clause

In the event that provision or provisions of this Lease are, or are hereafter adjudged to be, for any reason, invalid or unenforceable, the remaining provisions of this Lease shall continue to exist and remain in full force and effect provided the material intent of the parties is not frustrated by such invalidity or unenforceability.

41. Recordation of Memorandum of Lease

This Lease need not be recorded. A Memorandum of Lease may be recorded in lieu of the recording of the entire Lease. If the Lease is not recorded, the parties agree to execute a Memorandum of Lease in the form attached hereto as **Exhibit H,** or as the parties may otherwise agree, which may be recorded at any time during the Lease Term at Lessee's expense.

42. Estoppel Certificate

(a) Within twenty (20) days after notice from Lessor, Lessee agrees to execute and deliver to Lessor a certificate addressed to such person as Lessor shall specify, stating (i) that this Lease is in full force and effect, (ii) the modifications, if any, to this Lease, (iii) all other agreements between Lessor and Lessee, and (iv) whether Lessee claims any default or breach of this Lease on the part of Lessor. The certificate shall also state (v) the amount of

Minimum Monthly Rental then in effect, (vi) the dates to which Minimum Monthly Rental and Percentage Rental have been paid, (vii) the amount of any security deposits or prepaid rent, and (viii) the fact that percentage rental payments are subject to audit under Paragraph 5.7 above. If Lessee fails to deliver the certificate within twenty (20) days, it shall be conclusively presumed for the benefit of Lessor and the addressee that this Lease is in full force and effect and has not been modified except as may be represented by Lessor, and Lessee shall be deemed to have waived any breach or default of Lessor,

(b) Lessor shall, at no charge, at any time and from time to time hereafter, within forty-five (45) days after written notice from Lessee, execute, acknowledge and deliver to any holder or proposed holder, or any other person, or entity specified in such request, a statement certifying that (i) this Lease is in full force and effect, (ii) the modifications, if any, to this Lease, (iii) all other agreements between Lessor and Lessee, and (iv) whether Lessee claims any default or breach of this Lease on the part of Lessor. The certificate shall also state (v) the amount of Minimum Monthly Rental then in effect, (vi) the dates to which Minimum Monthly Rental and Percentage Rental have been paid, (vii) the amount of any security deposits or prepaid rent, (viii) the fact that percentage rental payments are subject to audit under Paragraph 5.7 above and (ix) the existence of any offsets, counterclaims or defenses on the part of Lessor, (x) the commencement and expiration dates of the term of the Lease, and (xi) any other matters that may reasonably be requested,

43. Amendments

This Lease sets forth all of the agreements and understandings of the parties and supersedes all prior agreements, if any, between the parties concerning the Premises.. Any amendments must be written and signed by the parties and Lessor reserves the right to require that Lessee reimburse Lessor for all costs and expenses incurred in connection with the processing of any amendment to this Lease requested or required by Lessee, including any Lessor Costs.

44. Signatures

This Lease shall be signed by the Mayor and City Clerk of Lessor and by Lessee following due authorization thereof.

45. Execution in Counterparts

This Lease may be executed in two (2) or more counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

46. Force Majeure

No delay or failure in performance by either Lessee or Lessor shall constitute default hereunder or give rise to any claim for damages, if, and to the extent, such delay or failure is caused by Force Majeure. Unless such Force Majeure substantially and materially frustrates performance of this contract, it shall not operate to excuse but only delay performance hereunder. No failure of or delay in performance shall be deemed caused by Force Majeure unless the party claiming Force Majeure gives prompt notice of the occurrence of Force Majeure.

47. Adjustment of Insurance Coverages

(a) The minimum insurance coverages specified in Article 14 shall be adjusted by the increase, if any, from the CPI Index, not more often than once every three (3) years.

(b) The particular insurance coverage specified as identified in paragraph (a), above, shall be calculated as follows: the sum or amount specified in this Lease shall be multiplied by a fraction, the numerator of which shall be the Index of the calendar month prior to the month during which the amount is to be paid or insurance obtained, and the denominator of which shall be the Index for the calendar month of the Commencement Date. The sum so calculated shall be the particular coverage required under this Lease, but in no event shall the particular insurance coverage be less than the coverage as specified in this Lease,

(c) In the event the compilation and/or publication of the Index shall be transferred to any other governmental department or agency, or shall be discontinued, then the substitute index most nearly the same as the Index shall be used to make the calculation, as the parties shall agree. If a substitute index is not specified by the governmental agency or department involved, and the parties cannot agree on a substitute index to be used in place of the Index, then, for purposes of the calculations herein, it shall be assumed that the numerator of the fraction identified in paragraph (b), above, shall have increased by a factor of three (3) points for each twelve (12) month period after the effective date of this Lease.

48. Payments as Additional Rent

All fees, payments, assessments, charges, deposits, damages and other sums payable to Lessor by Lessee under this Lease, including any interest due or accruable thereon, shall be deemed to be additional rent due and payable to Lessor hereunder. The failure to make payment of any such sum when due shall be a default under Paragraph 16.1(a) above, in addition to being a breach of the provision of this Lease wherein the obligation to make said payment is specified. Upon such breach or default, Lessor shall have available to it all rights and remedies provided by law and under this Lease, including the right to terminate this Lease.

49. No Broker

Lessor and Lessee represent that they have not dealt with or through a broker or other agent with respect to the negotiation and entering into this Lease, and that neither party is aware of any such person or entity who claims or is entitled to a finder's fee or commission . arising out of this Lease.

50. Authority

If Lessee is a corporation, limited liability company, or a partnership, those persons executing this Lease. for and on behalf of Lessee represent that they have been authorized and directed to execute this Lease for and on behalf of such corporation, limited liability company, or partnership. Further, if Lessee is a corporation or limited liability company, Lessee shall provide Lessor with a certified copy of the resolution approving this Lease and authorizing the persons signing this Lease to do so for and on behalf of Lessee.

51. Venue

Unless otherwise agreed by Lessor and Lessee, venue for any litigation between the parties shall be exclusively in the federal or state courts with subject matter jurisdiction in Los Angeles County, California.

52. Confidentiality

The parties recognize that certain information and documentation of Lessee is confidential and proprietary, although Lessor has the right to examine such materials under this Lease. Accordingly, Lessee may designate the materials listed on **Exhibit I** as told "Confidential Information." Lessee may keep all such Confidential Information in Lessee's offices in Los Angeles or Orange Counties, but all such Confidential Information shall be available for inspection and copying by lessor's attorneys, accountants, and other agents. All such agents shall be required by Lessor to keep such information and documentation in their own files and not disclose such information to any third party.

53. Third Party Beneficiaries

This Lease is intended to benefit only the parties hereto, and shall not be construed to create any third party beneficiaries.

IN WITNESS WHEREOF, the CITY OF REDONDO BEACH, Lessor herein, has duly authorized this Lease to be executed by its Mayor and City Clerk, and the seal of said City to be affixed, and Lessee has duly authorized and signed this Lease on the date, day and year first hereinabove written.

LESSOR:

CITY OF REDONDO BEACH,
A chartered municipal corporation

By: _____ Dated: 8/13/07
Mayor

By: _____ Dated: 8/14/07
City Clerk

LESSEE:

RG/BASCOM HARBOR COVE APARTMENTS, LLC,
A Delaware limited liability company

By: COMMONS APARTMENTS, LLC,
a Delaware limited liability company
Its Administrator

By: THE BASCOM GROUP, LLC,
A California limited liability company,
Its Managing Member

By: _____ Dated:
Jerome A. Fink,
Managing Member

APPROVED AS TO FORM:

_____
~~City Attorney~~ Counsel for the City

IN WITNESS WHEREOF, the CITY OF REDONDO BEACH, Lessor herein, has duly authorized this Lease to be executed by its Mayor and City Clerk, and the seal of said City to be affixed, and Lessee has duly authorized and signed this Lease on the date, day and year first hereinabove written.

LESSOR:

CITY OF REDONDO BEACH,
A chartered municipal corporation

By:_____ Dated:
Mayor

By:_____ Dated:
City Clerk

LESSEE:

RG/BASCOM HARBOR COVE APARTMENTS, LLC,
A Delaware limited liability company

By: COMMONS APARTMENTS, LLC,
a Delaware limited liability company
Its Administrator

By: THE BASCOM GROUP, LLC,
A California limited liability company,
Its Managing Member

LAILY BOUTALEB
Commission # 1667150
Notary Public - California
Orange County
My Comm. Expires May 18, 2010

By: _____ Dated: 8/8/07
Jerome A. Fink,
Managing Member

APPROVED AS TO FORM:

Patti Walsh
~~City Attorney~~ Counsel for the City

SUBSCRIBED AND SWORN TO BEFORE ME
THIS 8th DAY OF Aug ,2007
BY Jerome A. Fink
NOTARY PUBLIC

C07-72

F:\FILES\5661\018\Docs\Lease 25.doc

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Los Angeles } ss.

On August 14, 2007 (Date) before me, Susan L. Brown, Notary Public (Name and Title of Officer (e.g., "Jane Doe, Notary Public"))

personally appeared Mike Gin (Name(s) of Signer(s)),

☑ personally known to me

☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

SUSAN L. BROWN
Commission # 1636961
Notary Public - California
Los Angeles County
My Comm. Expires Feb 3, 2010

Place Notary Seal Above

WITNESS my hand and official seal.

Susan L. Brown
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Lease

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: Jerome Fink, Patrick Walsh, Eleanor Manzano

Capacity(ies) Claimed by Signer(s)

Signer's Name: Mike Gin

☐ Individual
☑ Corporate Officer — Title(s): Mayor
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: City of Redondo Beach

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____

☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

© 2004 National Notary Association • 9350 De Soto Ave., P.O. Box 2402 • Chatsworth, CA 91313-2402 Item No. 5907 Reorder: Call Toll-Free 1-800-876-6827

Administrative Report

H.15., **File #** 25-1428 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: STEPHANIE MEYER, FINANCE DIRECTOR
ELEANOR MANZANO, CITY CLERK
MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

APPROVE AN AMENDMENT TO THE AGREEMENT WITH ROBERT HALF, INC. FOR TEMPORARY STAFF AUGMENTATION SERVICES IN THE COMMUNITY DEVELOPMENT DEPARTMENT BUILDING SERVICES DIVISION TO EXTEND THE TERM THROUGH DECEMBER 31, 2026

APPROVE A FIFTH AMENDMENT TO THE AGREEMENT WITH ROBERT HALF, INC. FOR TEMPORARY STAFF AUGMENTATION SERVICES IN THE FINANCIAL SERVICES DEPARTMENT AND THE CITY CLERK'S OFFICE FOR AN ADDITIONAL AMOUNT OF $130,000 AND TO EXTEND THE TERM THROUGH DECEMBER 31, 2026

EXECUTIVE SUMMARY

The City currently contracts with Robert Half, Inc. (Robert Half) to provide as-needed staff augmentation services for the Community Development Department, Financial Services Department, and the City Clerk's Office to assist with operational needs caused by staffing vacancies.

The proposed first amendment to the Agreement with the Community Development Department would extend the term through December 31, 2026 for a part-time Administrative Assistant to provide continued support to the Building Services Division. This position is intended to help manage the Division's high volume of incoming phone calls, assist in the completion of building and public records requests, and support the ongoing digitization of historical permits and plans as part of the current document clean-up process.

The Financial Services Department currently has two vacant full-time Accountant positions, while the City Clerk's Office currently has one vacant full-time position. The proposed fifth amendment for these departments provides additional contract funding to continue employing a temporary Accountant for Financial Services, along with a temporary Accounting Clerk for the City Clerk's Office.

BACKGROUND

Robert Half has provided valuable support to numerous Departments within the City and currently supports the Community Development Department, Financial Services Department, and the City Clerk's Office.

The Community Development Department has employed a part-time employee to fill a critical Administrative Specialist position in the Building Services Division. This part-time position has provided essential support with daily office operations, including interaction with the public.

In September of 2025, the part-time employee was promoted to fill a vacant full-time position within the Department. As a result, the Community Development Department initiated a contract with Robert Half to fill the vacant part-time position to enhance the Building Services Division's ability to respond to public inquiries, address community concerns, and meet real estate-related service demands in a more timely and efficient manner.

The Financial Services Department currently employs a full-time Accountant from Robert Half to provide accounting support for ongoing financial operations and in-progress audits. The proposed fifth amendment would extend the temporary Accountant's contract term and provide additional funding pending the hiring of permanent staff.

The City Clerk's Office has been experiencing staffing shortages since December of 2024. The City Clerk's Office currently has one full-time Assistant City Clerk position unfilled. Robert Half was able to provide as-needed staffing services to enable the City Clerk's Office to successfully continue to process Public Records Act requests, assist with the retention and destruction of citywide records and begin preparation for the upcoming election in 2026, among other critical duties.

If approved, the proposed amendments would increase the contract amount and extend the contract term to support the continued provision of temporary staffing services for the Community Development Department, Financial Services Department and the City Clerk's Office, as needed.

COORDINATION

The Financial Services Department coordinated the item with the City Clerk's Office and Community Development Department. The proposed amendments were approved as to form by the City Attorney's Office.

FISCAL IMPACT

Funding for the contract services amendments is available in each Departments' operating budgets due to salary savings from the vacant full-time positions.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - First Amendment, Signature & Insurance for the Community Development Department - Robert Half, Inc.
- Agmt - Original Agreement for the Community Development Department - Robert Half, Inc., July 15, 2025
- Agmt - Fifth Amendment, Signature & Insurance for the Financial Services Department and the City Clerk's Office - Robert Half, Inc.
- Amendments 1-4 & Agreement for the Financial Services Department and the City Clerk's Office - Robert Half, Inc.

FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND ROBERT HALF INC.

THIS FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("First Amendment") is made and entered into on October 21, 2025, by and between the City of Redondo Beach, a chartered municipal corporation ("City"), and Robert Half Inc., a Delaware corporation ("Contractor").

WHEREAS, on July 15, 2025, the parties hereto entered into an Agreement for Project Services (the "Agreement"); 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 amendment to the Agreement:

1. **TERM AND TIME OF COMPLETION**. Exhibit "B" of the Agreement, as amended by Exhibit "B-1", which extends the term of the Agreement to December 31, 2026. Exhibit "B-1" is attached hereto and incorporated by this reference. Contractor shall commence and complete all services described in Exhibit "A" of the Agreement in accordance with the schedule set forth in Exhibit "B-1".

2. **NO OTHER AMENDMENTS**. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreements with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment the terms of this First Amendment shall govern.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

ROBERT HALF INC.
a Delaware corporation

Signed by:
3F1C253DBA0C4B7...

By: _____
Name: Alexandra Von Tiergarten
Title: SVP

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT “B-1”

TERM AND TIME OF COMPLETION

TERM. The term of the Agreement shall be extended to December 31, 2026, unless otherwise terminated as herein provided.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/29/2025

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

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

PRODUCER
Arthur J. Gallagher Risk Management Services, LLC
500 N. Brand Boulevard, Suite 100
Glendale CA 91203

License#: 0D69293

CONTACT NAME: Robert Half Certificates
PHONE (A/C, No, Ext): 818-539-1463 **FAX (A/C, No):**
E-MAIL ADDRESS: roberthalf_certificates@ajg.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Federal Insurance Company	20281
INSURER B : Underwriters at Lloyd's London	15792
INSURER C : Safety National Casualty Corporation	15105
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Robert Half Inc.
including Accountemps
3001 Bishop Dr., Suite 140
San Ramon CA 94583

ROBEHAL-03

COVERAGES **CERTIFICATE NUMBER:** 1715625383 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** ☐ CLAIMS-MADE ☒ OCCUR X Stop Gap Em.Liab X in OH, WA, WY,ND GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:	Y	Y	3579-66-87	6/1/2025	6/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG Employer Liability	$ 2,000,000 $ 2,000,000 $ 10,000 $ 2,000,000 $ 2,000,000 $ 2,000,000 $ 1,000,000
A	**AUTOMOBILE LIABILITY** X ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY	Y	Y	7323-32-17	6/1/2025	6/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Comp/Coll.Ded:	$ 1,000,000 $ $ $ $ 1,000/$1,000
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** ☐ CLAIMS-MADE ☐ DED X RETENTION $ 0			7921-71-07	6/1/2025	6/1/2026	EACH OCCURRENCE AGGREGATE 	$ 5,000,000 $ 5,000,000 $
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N: N **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	See Attached Supplemental	6/1/2025	6/1/2026	X PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
A B B	Personal Property w/ TIB Professional Liability Crime/Fidelity			3579-66-87 W268C2250701 W26978250701	6/1/2025 3/31/2025 3/31/2025	6/1/2026 3/31/2026 3/31/2026	Property Limit PerClaim/Aggregate Each Loss	$500,000 $5,000,000 $5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Professional Liability coverage are claims made and reported during the policy period.
Certificate Holder is deemed Additional Insured on the above referenced General Liability and Auto Liability policies on a Primary and Non-Contributory basis as required by written contract for liability arising out of the Named Insureds' acts or omissions. Please refer to attached General Liability form for scope of Additional Insured status. Rights of Subrogation have been waived with respects to General Liability, Auto Liability and Workers Compensation Policies as required by written contract executed prior to loss.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Tony Campbell

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2025-2026 RHI Workers Compensation Policy Numbers

Policy#	States	Eff. Date	Exp. Date	Issuing Company	NAIC #
Robert Half International Inc. and Protiviti Inc.					
LDS4064812	AOS: AL, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MO, NE, NV, NH, NJ, NM, NY, NC, OK, OR, PA RI, SC, TN, TX, UT, VA	6/1/2025	6/1/2026	Safety National Casualty Corp	15105
PS 4064813	WI	6/1/2025	6/1/2026	Safety National Casualty Corp	15105

COMMERCIAL AUTOMOBILE – BLANKET ADDITIONAL INSURED – POLICY EXCERPT

Insured	Robert Half Inc.
Policy Number	7323-32-17
Policy Effective	June 1, 2025 – June 1, 2026; 12:01am Standard Time
Form Number	16-02-0292 (rev. 11-16)

BUSINESS AUTO COVERAGE FORM

This endorsement modifies the Business Auto Coverage Form.

2. BROAD FORM INSURED

D. Persons And Organizations As Insureds Under A Written Insured Contract

Paragraph A.1 – WHO IS AN INSURED – of SECTION II – LIABILITY COVERAGE is amended to add the following:

f. Any person or organization with respect to the operation, maintenance or use of a covered "auto", provided that you and such person or organization have agreed under an express provision in a written "insured contract", written agreement or a written permit issued to you by a governmental or public authority to add such person or organization to this policy as an "insured". However, such person or organization is an "insured" only:

(1) with respect to the operation, maintenance or use of a covered "auto"; and

(2) for "bodily injury" or "property damage" caused by an "accident" which takes place after:

(a) You executed the "insured contract" or written agreement; or

(b) The permit has been issued to you.

COMMERCIAL AUTOMOBILE – PRIMARY AND NON-CONTRIBUTORY – POLICY EXCERPT

Insured	Robert Half Inc.
Policy Number	7323-32-17
Policy Effective	June 1, 2025 – June 1, 2026; 12:01am Standard Time
Form Number	CA 00 01 10 13

BUSINESS AUTO COVERAGE FORM

This endorsement modifies the Business Auto Coverage Form.

5. Other Insurance

a. For any covered “auto” you own, this Coverage Form provides primary insurance. For any covered “auto” you don’t own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered “auto” which is a “trailer” is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the “trailer” is:

(1) Excess while it is connected to a motor vehicle you do not own; or

(2) Primary while it is connected to a covered “auto” you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph **a.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

COMMERCIAL AUTOMOBILE – BLANKET WAIVER OF SUBROGATION – POLICY EXCERPT

Insured	Robert Half Inc.
Policy Number	7323-32-17
Policy Effective	June 1, 2025 – June 1, 2026; 12:01am Standard Time
Form Number	16-02-0292 (rev. 11-16)

BUSINESS AUTO COVERAGE FORM

This endorsement modifies the Business Auto Coverage Form.

13. WAIVER OF SUBROGATION

Paragraph A.5. - TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US of SECTION IV – BUSINESS AUTO CONDITIONS is deleted and replaced with the following:

5. We will waive the right of recovery we would otherwise have against another person or organization for "loss" to which this insurance applies, provided the "insured" has waived their rights of recovery against such person or organization under a contract or agreement that is entered into before such "loss".

To the extent that the "insured's" rights to recover damages for all or part of any payment made under this insurance has not been waived, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

Liability Insurance

Endorsement

Policy Period	JUNE 1, 2025 TO JUNE 1, 2026
Effective Date	JUNE 1, 2025
Policy Number	3579-66-87
Insured	ROBERT HALF INC.
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JUNE 1, 2025

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added.

Who Is An Insured

Additional Insured - Scheduled Person Or Organization

Persons or organizations shown in the Schedule are **insureds**; but they are **insureds** only if you are obligated pursuant to a contract or agreement to provide them with such insurance as is afforded by this policy.

However, the person or organization is an **insured** only:

- if and then only to the extent the person or organization is described in the Schedule;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**;
- for activities that did not occur, in whole or in part, before the execution of the contract or agreement; and
- with respect to damages, loss, cost or expense for injury or damage to which this insurance applies.

No person or organization is an **insured** under this provision:

- that is more specifically identified under any other provision of the Who Is An Insured section (regardless of any limitation applicable thereto).
- with respect to any assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages, loss, cost or expense for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.

Liability Endorsement
(continued)

Under Conditions, the following provision is added to the condition titled Other Insurance.

Conditions

Other Insurance – Primary, Noncontributory Insurance – Scheduled Person Or Organization

If you are obligated, pursuant to a contract or agreement, to provide the person or organization shown in the Schedule with primary insurance such as is afforded by this policy, then in such case this insurance is primary and we will not seek contribution from insurance available to such person or organization.

Schedule

PERSONS OR ORGANIZATIONS THAT YOU ARE OBLIGATED, PURSUANT TO WRITTEN CONTRACT OR AGREEMENT BETWEEN YOU AND SUCH PERSON OR ORGANIZATION, TO PROVIDE WITH SUCH INSURANCE AS IS AFFORDED BY THIS POLICY; BUT THEY ARE INSUREDS ONLY IF AND TO THE MINIMUM EXTENT THAT SUCH CONTRACT OR AGREEMENT REQUIRES THE PERSON OR ORGANIZATION TO BE AFFORDED STATUS AS AN INSURED. HOWEVER, NO PERSON OR ORGANIZATION IS AN INSURED UNDER THIS PROVISION WHO IS MORE SPECIFICALLY DESCRIBED UNDER ANY OTHER PROVISION OF THE WHO IS INSURED SECTION OF THIS POLICY (REGARDLESS OF ANY LIMITATION APPLICABLE THERETO).

All other terms and conditions remain unchanged.

Authorized Representative

Conditions
(continued)

Transfer Or Waiver Of Rights Of Recovery Against Others

We will waive the right of recovery we would otherwise have had against another person or organization, for loss to which this insurance applies, provided the **insured** has waived their rights of recovery against such person or organization in a contract or agreement that is executed before such loss.

To the extent that the **insured**'s rights to recover all or part of any payment made under this insurance have not been waived, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

This condition does not apply to **medical expenses**.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

SCHEDULE

WHERE A WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS IS REQUIRED BY WRITTEN CONTRACT, SUCH ADDITIONAL ENTITIES SHALL BE CONSIDERED AUTOMATICALLY SCHEDULED BY THE COMPANY.

INDIVIDUALLY SCHEDULED WAIVERS SHALL NOT BE CONSTRUED TO OVERRIDE NOR NEGATE THIS BLANKET WAIVER.

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 06/01/2025 Policy No. LDS4064812 Endorsement No.

Insured ROBERT HALF INC. Premium $ Included

Insurance Company Safety National Casualty Corporation

Countersigned By _____

© 1983 National Council on Compensation Insurance.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

SCHEDULE

WHERE A WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS IS REQUIRED BY WRITTEN CONTRACT, SUCH ADDITIONAL ENTITIES SHALL BE CONSIDERED AUTOMATICALLY SCHEDULED BY THE COMPANY.

INDIVIDUALLY SCHEDULED WAIVERS SHALL NOT BE CONSTRUED TO OVERRIDE NOR NEGATE THIS BLANKET WAIVER.

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 06/01/2025 Policy No. PS 4064813 Endorsement No.

Insured ROBERT HALF INC. Premium $ Included

Insurance Company Safety National Casualty Corporation

Countersigned By _____

© 1983 National Council on Compensation Insurance.

AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND ROBERT HALF INC.

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Robert Half Inc., a Delaware corporation ("Contractor").

The parties hereby agree as follows:

A. Description of Project or Scope of Services. Contractor agrees to assign one or more individuals (each an "Assigned Individual") to assist the City, as set forth in Exhibit "A".

B. Term and Time of Completion. The term of the agreement is set forth in Exhibit "B".

C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

D. Insurance. Contractor agrees to comply with the insurance requirements set forth in Exhibit "D".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.

2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained by Assigned Individuals pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the

City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Reserved.

5. Reserved.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

8. Reserved.

9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the staffing services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of the staffing industry.

10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work performed prior to the effective date of termination; and (2) any applicable conversion fees. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not. Contractor may terminate this Agreement with thirty (30) days written notice to the City.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement.

14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively “Indemnitees”) from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, reasonable attorney’s fees, costs, and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any negligence or willful misconduct of Contractor in performance of the Agreement (including negligence or willful misconduct by any of its officers, agents, employees, Subcontractors), or its failure to comply with any of its obligations contained in the Agreement, violation of law except for such loss or damage which was caused by the gross negligence or willful misconduct of the City. Contractor’s obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and

shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City’s prior written consent shall constitute a material default under this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or

written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference.

25. Reserved.

26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

32. Warranty. Contractor guarantees City's satisfaction with Contractor's Assigned Individuals by extending to City a two (2) days (16 hours) guarantee for members of the administrative & customer support contract talent practice group (as applicable, the "Guarantee Period"). If, for any reason, City is dissatisfied with the Assigned Individual assigned to City, Contractor will not charge for the Guarantee Period worked, provided Contractor is allowed to replace the Assigned Individual. Unless City contacts Contractor before the end of the guarantee period, City agrees that Contractor's Assigned Individual is satisfactory for purposes of this guarantee.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

36. Additional Terms. Nothing in this Agreement shall obligate Contractor's practice group or branch offices, other than Robert Half's administrative & customer support contract talent practice group of the Contractor's branch office located in Torrance, CA (the "Branch"), to perform services under the terms and conditions contained herein this Agreement. Notwithstanding the foregoing, Contractor shall be responsible for any liability or claim arising out of the Branch's performance of the services under the terms of this Agreement.

City shall supervise Assigned Individuals providing services to City. City shall not permit or require Assigned Individuals (i) to perform services outside of the scope of Assigned Individual's assignment; (ii) to sign contracts or statements (including SEC documents); (iii) to make any management decisions; (iv) to make any final decisions regarding system design, software development or the acquisition of hardware or software; (v) to sign, endorse, wire, transport or otherwise convey cash, securities, checks, or any negotiable instruments or valuables; (vi) to use computers, or other electronic devices, software or network equipment owned or licensed by Assigned Individual; (vii) to operate machinery (other than office

machines) or automotive equipment. City may request that Contractor permit its Assigned Individuals to provide services to City remotely (i.e., from a location other than City's offices) using City's or Contractor's laptop and/or other computer or telecommunications equipment (the "Equipment"). City acknowledges and agrees that Contractor shall have no control over, and City shall be solely responsible for, (i) the logical and physical performance, reliability and security of the Equipment or related devices, network accessibility and availability, software, services, tools and e-mail accounts (collectively, "Computer Systems") used by the Assigned Individual, and (ii) the security, integrity, and backing up of the data and other information stored therein or transmitted thereby.

Moreover, City must not require Assigned Individual to save or store any of City's files or other data on the Computer Systems provided by Contractor (including, but not limited to, any virtual desktop infrastructure solution). Since Contractor is not a professional accounting firm, City agrees that City will not permit or require Assigned Individual (a) to render an opinion on behalf of Contractor or on City's behalf regarding financial statements; (b) to sign the name of Contractor on any document; or (c) to sign their own names on financial statements or tax returns.

It is understood that City has full responsibility for: (i) providing safe working conditions as required by law, including compliance with all public health and occupational safety regulations and guidelines applicable to City's business, and (ii) ensuring that safety plans exist for, and safety related training is provided to, Assigned Individuals working on City's premises.

If City requires Contractor to perform background checks or other placement screenings of Assigned Individuals, City agrees to notify Contractor prior to the start of services under this Agreement. Contractor will conduct such checks or screenings only if they are described in a signed, written amendment to this Agreement. If City requests a copy of the results of any checks conducted on Contractor's Assigned Individuals, City agrees to keep such results strictly confidential and to use such results in accordance with applicable laws..

Unless otherwise provided by law, City agrees to agrees to implement and maintain reasonable security procedures and practices to protect such information from unauthorized access, use, modification or disclosure to hold in confidence the Assigned Individual's legally protected personal information.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 15th day of July, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...

James A. Light, Mayor

ROBERT HALF INC.,
a Delaware corporation

Signed by:
Alexandra Von Tiergarten
3F1C253DBA0C4B7...

By: Alexandra Von Tiergarten
Name:
Title: SVP

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

Signed by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Signed by:
A5A27AAE40834DE...

Joy A. Ford, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

CONTRACTOR'S DUTIES

This following statement of work ("SOW") is incorporated into the Agreement by this reference and made a part thereof. Capitalized terms not otherwise defined herein are defined in the Agreement. Contractor shall assign one or more individual(s) to the City to assist the City with the completion of the following tasks:

A. Assistant Planner: The Assigned Individual(s) shall perform the core duties and functions within the professional planner job category in the Planning Division of the City's Community Development Department. These duties shall include, but will not be limited to:

1. Public Information Services:

    a. Work professionally with the general public, development community, City staff, supervisors, and other departments.
    b. Provide information on the department policies, general plan policy, and zoning ordinance regulations to the public as necessary.
    c. Accurately interpret and apply ordinances and policies to development proposals, and clearly communicate these requirements to the general public and development community both in writing and verbally.
    d. Respond to public inquiries regarding zoning and planning matters by telephone, mail, email, or in person.

2. Current Planning:

    a. Review and process plans submitted by applicants.
    b. Provide staff support to groups, commissions, and committees, including but not limited to, the Planning Commission, Preservation Commission, and Harbor Commission, City Council, and neighborhood associations (collectively referred to as "Interested Parties"). This support shall include conducting research, processing entitlements, and drafting reports.
    c. Attend meetings and make oral presentations before the Interested Parties.
    d. Assist in the preparation of planning and zoning regulations, and department policies and procedures.

3. Advanced Planning:
    a. Tabulate, compile, analyze, and interpret statistical data and other data relating to social and economic trends concerning urban land use, population, housing, business, industry, and economic characteristics.

b. Prepare maps, charts and graphs to interpret various planning studies and trends.
c. Conduct research, analyze information, and draft reports regarding zoning, General Plan amendments and other advanced planning issues.
d. Research planning and zoning trends in other jurisdictions.
e. Operate automated mapping/geographic information systems.
f. Conduct other special studies as needed.
g. Perform other related duties as requested by the City Community Development Director or designee.

B. Administrative Assistant: The Assigned Individual(s) shall perform comprehensive administrative support to assist in the efficient operation of the City Community Development Department. This includes managing communications, supporting department operations, and ensuring the effective execution of administrative tasks as set forth below.

1. Communication Management:

   a. Answer and direct phone calls, emails, and inquiries from the public, developers, and other stakeholders.
   b. Serve as the first point of contact for department-related inquiries, providing accurate information or routing requests to the appropriate personnel.

2. Administrative Support:

   a. Provide administrative assistance, including scheduling meetings, preparing agendas, and maintaining department calendars.
   b. Prepare, edit, and distribute correspondence, reports, memos, and other documents upon City's request.
   c. Manage and maintain department records, files, and databases, ensuring information is up-to-date and easily accessible.
   d. Assist in the preparation of presentations, spreadsheets, and other materials for meetings and public hearings.

3. Project Assistance:

   a. Support ongoing projects and initiatives within the City Community Development Department by coordinating logistics, tracking project timelines, and assisting with documentation.
   b. Assist in the review and processing of planning applications, permits, and other departmental paperwork.

4. Community Engagement:

a. Assist in organizing and coordinating community outreach events, workshops, and public meetings.
b. Provide information to the public regarding zoning, land use, and planning regulations, or direct the public to the appropriate resources.
c. Help prepare materials and communications for Community Development initiatives.
d. Perform general office duties, which shall include:
    i. Monitoring office supplies and placing orders when necessary.
    ii. Coordinating with other City departments to ensure seamless operations and communication.

5. Qualifications: Provide an Assigned individual with the following qualifications.

a. At least a high school diploma or equivalent; but preferably an associate's degree or relevant certification.
b. Proven experience as an administrative assistant, preferably in a municipal or government setting.
c. Strong proficiency in Microsoft Office Suite (Word, Excel, Outlook, PowerPoint) and other office management software.
d. Excellent communication skills, both written and verbal, with a customer service-oriented approach.
e. Bilingual in Spanish preferred.
f. Ability to multitask, prioritize, and manage time effectively in a fast-paced environment.
g. Knowledge of local government operations, community development, and urban planning is preferable.
h. Strong organizational skills with attention to detail.
i. Strong communication skills, multitasking abilities, and a commitment to serving the community.

C. Assigned Individuals. Contractor shall assign the following individual(s) (each an "Assigned Individual") to City for this engagement:

Title	Hourly Bill Rate	Estimated Start Date	Estimated End Date
Assistant Planner: Adrian Frias	$58.87/hr.	TBD - City designated date	12/31/2025
Administrative Assistant: Ebony Sutton Dill	$43.00/hr.	TBD - City designated date	12/31/2025

If additional placements are required, a written amendment will need to be agreed on by both parties and signed by authorized representatives of both parties. The amendment will state at minimum the Assigned Individual's name, role, start date, and hourly rate.

EXHIBIT "B"

TERM AND TIME OF COMPLETION

TERM. The term of this Agreement shall commence July 15, 2025 and expire December 31, 2025 (“Term”), unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid in accordance with the schedule set forth below.

Title	Hourly Bill Rate
Assistant Planner	$58.87/hr.
Administrative Assistant	$43.00/hr.
Total Not to Exceed Amount of SOW	**$65,000**

In the event City wishes to convert any of Contractor's Assigned Individuals, City agrees to pay a conversion fee in accordance with this Section. The conversion fee will equal a percentage of the Assigned Individual's aggregate annual compensation, including bonuses, based on length of assignment. City agrees to pay a conversion fee if Contractor's Assigned Individual is hired by an affiliate or other related business entity as a result of City's subsequent referral of the Assigned Individual or one of City's customers as a result of Assigned Individual providing services to that customer. The conversion fee is payable if City hires the Assigned Individual, regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. The same calculation will be used if City converts Contractor's Assigned Individual on a part-time basis using the full-time equivalent salary; however, the conversion fee will not be less than $1,000.

The conversion fee will equal a percentage of the Professional’s aggregate annual compensation, including bonuses, based on the length of assignment:

0-159 hours worked = 20% of person’s annual base salary
160+ hours worked = 17% of person’s annual base salary
320+ hours worked = 14% of person’s annual base salary
480+ hours worked = 11% of person’s annual base salary
640+ hours worked = 8% of person’s annual base salary
720+ hours worked = 5% of person’s annual base salary
880+ hours worked = $2000 flat fee

2. **METHOD OF PAYMENT.** Assigned Individual will present a time sheet or an electronic time record to City for verification and approval at the end of each week. Contractor will bill City weekly for the total hours worked. If applicable, overtime will be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate. Contractor may charge City a fee for the provision of equipment or technology, if City requests that Assigned Individual use equipment or technology provided by Contractor. Contractor may also increase Contractor's rates to reflect increases in Contractor's cost of doing business, including costs associated with higher wages for workers and/or related taxes, benefits or other costs. Contractor will provide written or verbal notice of technology charges and/or increases in rates. Any increase in rates will be prospective, starting as of the effective date Contractor specifies.

3. **SCHEDULE FOR PAYMENT**. City shall process payment within 30 days of receipt of invoice.

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

   Contractor: Robert Half Inc.
   970 W. 19th St. Suite 400
   Torrance, CA 90502
   Attention: David Saidnia, Regional Director/Vice President
   Email: David.Saidnia@roberthalf.com

   With a Copy to:
   Robert Half Inc.
   2613 Camino Ramon
   San Ramon, CA 94583
   Attention: Client Contracts Dept.

   Contractor: City of Redondo Beach
   Financial Services Department
   415 Diamond St.
   Redondo Beach, CA 90277
   Attention: Marc Wiener, Community Development Director
   Email: Marc.Wiener@redondo.org

   All notices, including notices of address changes, provided under this Agreement are deemed received on the second business day if sent by email or the third day after mailing if sent by registered or certified mail. 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.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor 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 work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers" shall be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers" shall be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII- and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded.

Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

FIFTH AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND ROBERT HALF INC.

THIS FIFTH AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("Fifth Amendment") is made and entered into on October 21, 2025, by and between the City of Redondo Beach, a chartered municipal corporation ("City"), and Robert Half Inc., a Delaware corporation ("Contractor").

WHEREAS, on November 21, 2023, the parties hereto entered into an Agreement for Project Services (the "Agreement");

WHEREAS, on June 18, 2024, the parties hereto entered into the First Amendment to the Agreement (the "First Amendment") to add an Accounting Clerk position, extend the term to December 31, 2025, and increase the total compensation limit to $54,999;

WHEREAS, on October 1, 2024, the parties hereto entered into the Second Amendment to the Agreement (the "Second Amendment") to increase the total compensation limit to $89,499;

WHEREAS, on December 3, 2024, the parties hereto entered into the Third Amendment to the Agreement (the "Third Amendment") to increase the total compensation limit to $164,499;

WHEREAS, on June 3, 2025, the parties hereto entered into the Fourth Amendment to the Agreement (the "Fourth Amendment") to increase the total compensation limit to $284,499; and

WHEREAS, the parties 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 amendment to the Agreement:

1. **TERM AND TIME OF COMPLETION**. Exhibit " B" of the Agreement, as amended by Exhibit "B-1", is hereby amended to add Exhibit "B-2", which extends the term of the Agreement to December 31, 2026. Exhibit "B-2" is attached hereto and incorporated by this reference. Contractor shall commence and complete all services described in Exhibit "A" to "A-1" of the Agreement in accordance with the schedule set forth in Exhibit "B-2".

2. **COMPENSATION.** Exhibit "C" of the Agreement, as amended by Exhibits "C-1", "C-2", "C-3" and "C-4", is hereby further amended to add Exhibit "C-5" to increase the Contractor's compensation limit by $130,000, setting a new total compensation limit of $414,499. Exhibit "C-5" is attached hereto and incorporated by this reference. Contractor shall continue to be compensated for the services described in Exhibits "A" and "A-1" of the Agreement.

3. **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, Third Amendment, Fourth Amendment, and this Fifth Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreements with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, Third Amendment, Fourth Amendment, and this Fifth Amendment, the terms of this Fifth Amendment shall govern.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Fifth Amendment in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

ROBERT HALF INC.
a Delaware corporation

Signed by:
Alexandra Von Tiergarten
3F1C253DBA0C4B7...

By: _____
Name: Alexandra Von Tiergarten
Title: SVP

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT “B-2”

TERM AND TIME OF COMPLETION

TERM. The term of the Agreement shall be extended to December 31, 2026, unless otherwise terminated as herein provided.

EXHIBIT "C-5"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid in accordance with the schedule set forth below.

Title	Name of Assigned Individual	Hourly Bill Rate
Accounting Clerk	TBD	$34-45/hr
Accounting Specialist	TBD	$43-58/hr
Accountant	TBD	$65-85/hr
Senior Accountant	TBD	$85-115/hr
Total Not to Exceed Amount		**$414,499**

In the event City wishes to convert any of Contractor's Assigned Individuals, City agrees to pay a conversion fee in accordance with this Section. The conversion fee will equal a percentage of the Assigned Individual's aggregate annual compensation, including bonuses, based on the length of assignment. City agrees to pay a conversion fee if Contractor's Assigned Individual is hired by an affiliate or other related business entity as a result of City's subsequent referral of the Assigned Individual or one of City's customers as a result of Assigned Individual providing services to that customer. The conversion fee is payable if City hires the Assigned Individual, regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. The same calculation will be used if City converts Contractor's Assigned Individual on a part-time basis using the full-time equivalent salary; however, the conversion fee will not be less than $1,000.

The conversion fee will equal a percentage of the Professional's aggregate annual compensation, including bonuses, based on the length of assignment:

0-159 hours worked = 20% of person's annual base salary
160+ hours worked = 17% of person's annual base salary
320+ hours worked = 14% of person's annual base salary
480+ hours worked = 11% of person's annual base salary
640+ hours worked = 8% of person's annual base salary
720+ hours worked = 5% of person's annual base salary
880+ hours worked = $2000 flat fee

2. **METHOD OF PAYMENT**. The Assigned Individual will present a timesheet or an electronic time record to City for verification and approval at the end of each week.

Contractor will bill City weekly for the total hours worked. If applicable, overtime will be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate. Contractor may charge City a fee for the provision of equipment or technology, if City requests that the Assigned Individual use equipment or technology provided by Contractor. Contractor may also increase Contractor's rates to reflect increases in Contractor's cost of doing business, including costs associated with higher wages for workers and/or related taxes, benefits or other costs. Contractor will provide written or verbal notice of technology charges and/or increases in rates. Any increase in rates will be prospective, starting as of the effective date Contractor specifies.

3. **SCHEDULE FOR PAYMENT**. City shall process payment within 30 days of receipt of invoice.

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

Contractor: Robert Half Inc.
970 W. 190th St. Suite 400
Torrance, CA 90502
Attention: Jennifer Rutchland, Senior Vice President
Email: jennifer.rutchland@roberthalf.com

With a Copy to:
Robert Half Inc.
3001 Bishop Drive
San Ramon, CA 94583
Attention: Client Contracts Department
Email: david.saidnia@roberthalf.com

City: City of Redondo Beach
Financial Services Department
415 Diamond St., Door 1
Redondo Beach, CA 90277
Attention: Stephanie Meyer, Finance Director
Email: stephanie.meyer@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.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/29/2025

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

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

PRODUCER
Arthur J. Gallagher Risk Management Services, LLC
500 N. Brand Boulevard, Suite 100
Glendale CA 91203

License#: 0D69293
ROBEHAL-03

CONTACT NAME: Robert Half Certificates
PHONE (A/C, No, Ext): 818-539-1463 **FAX (A/C, No):**
E-MAIL ADDRESS: roberthalf_certificates@ajg.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Federal Insurance Company	20281
INSURER B : Underwriters at Lloyd's London	15792
INSURER C : Safety National Casualty Corporation	15105
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Robert Half Inc.
including Accountemps
3001 Bishop Dr., Suite 140
San Ramon CA 94583

COVERAGES **CERTIFICATE NUMBER:** 1715625383 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** [ ] CLAIMS-MADE [X] OCCUR X Stop Gap Em.Liab X in OH, WA, WY,ND GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:	Y	Y	3579-66-87	6/1/2025	6/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG Employer Liability	$ 2,000,000 $ 2,000,000 $ 10,000 $ 2,000,000 $ 2,000,000 $ 2,000,000 $ 1,000,000
A	**AUTOMOBILE LIABILITY** X ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY	Y	Y	7323-32-17	6/1/2025	6/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Comp/Coll.Ded:	$ 1,000,000 $ $ $ $ 1,000/$1,000
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** [ ] CLAIMS-MADE DED X RETENTION $ 0			7921-71-07	6/1/2025	6/1/2026	EACH OCCURRENCE AGGREGATE 	$ 5,000,000 $ 5,000,000 $
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** Y / N: N If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	See Attached Supplemental	6/1/2025	6/1/2026	X PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
A B B	Personal Property w/ TIB Professional Liability Crime/Fidelity			3579-66-87 W268C2250701 W26978250701	6/1/2025 3/31/2025 3/31/2025	6/1/2026 3/31/2026 3/31/2026	Property Limit PerClaim/Aggregate Each Loss	$500,000 $5,000,000 $5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Professional Liability coverage are claims made and reported during the policy period.
Certificate Holder is deemed Additional Insured on the above referenced General Liability and Auto Liability policies on a Primary and Non-Contributory basis as required by written contract for liability arising out of the Named Insureds' acts or omissions. Please refer to attached General Liability form for scope of Additional Insured status. Rights of Subrogation have been waived with respects to General Liability, Auto Liability and Workers Compensation Policies as required by written contract executed prior to loss.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Tony Campbell

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2025-2026 RHI Workers Compensation Policy Numbers

Policy#	States	Eff. Date	Exp. Date	Issuing Company	NAIC #
Robert Half International Inc. and Protiviti Inc.					
LDS4064812	AOS: AL, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MO, NE, NV, NH, NJ, NM, NY, NC, OK, OR, PA RI, SC, TN, TX, UT, VA	6/1/2025	6/1/2026	Safety National Casualty Corp	15105
PS 4064813	WI	6/1/2025	6/1/2026	Safety National Casualty Corp	15105

COMMERCIAL AUTOMOBILE – BLANKET ADDITIONAL INSURED – POLICY EXCERPT

Insured	Robert Half Inc.
Policy Number	7323-32-17
Policy Effective	June 1, 2025 – June 1, 2026; 12:01am Standard Time
Form Number	16-02-0292 (rev. 11-16)

BUSINESS AUTO COVERAGE FORM

This endorsement modifies the Business Auto Coverage Form.

2. BROAD FORM INSURED

D. Persons And Organizations As Insureds Under A Written Insured Contract

Paragraph A.1 – WHO IS AN INSURED – of SECTION II – LIABILITY COVERAGE is amended to add the following:

f. Any person or organization with respect to the operation, maintenance or use of a covered "auto", provided that you and such person or organization have agreed under an express provision in a written "insured contract", written agreement or a written permit issued to you by a governmental or public authority to add such person or organization to this policy as an "insured". However, such person or organization is an "insured" only:

(1) with respect to the operation, maintenance or use of a covered "auto"; and

(2) for "bodily injury" or "property damage" caused by an "accident" which takes place after:

(a) You executed the "insured contract" or written agreement; or

(b) The permit has been issued to you.

COMMERCIAL AUTOMOBILE – PRIMARY AND NON-CONTRIBUTORY – POLICY EXCERPT

Insured	Robert Half Inc.
Policy Number	7323-32-17
Policy Effective	June 1, 2025 – June 1, 2026; 12:01am Standard Time
Form Number	CA 00 01 10 13

BUSINESS AUTO COVERAGE FORM

This endorsement modifies the Business Auto Coverage Form.

5. Other Insurance

a. For any covered “auto” you own, this Coverage Form provides primary insurance. For any covered “auto” you don’t own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered “auto” which is a “trailer” is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the “trailer” is:

(1) Excess while it is connected to a motor vehicle you do not own; or

(2) Primary while it is connected to a covered “auto” you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph **a.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

COMMERCIAL AUTOMOBILE – BLANKET WAIVER OF SUBROGATION – POLICY EXCERPT

Insured	Robert Half Inc.
Policy Number	7323-32-17
Policy Effective	June 1, 2025 – June 1, 2026; 12:01am Standard Time
Form Number	16-02-0292 (rev. 11-16)

BUSINESS AUTO COVERAGE FORM

This endorsement modifies the Business Auto Coverage Form.

13. WAIVER OF SUBROGATION

Paragraph A.5. - TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US of SECTION IV – BUSINESS AUTO CONDITIONS is deleted and replaced with the following:

5. We will waive the right of recovery we would otherwise have against another person or organization for "loss" to which this insurance applies, provided the "insured" has waived their rights of recovery against such person or organization under a contract or agreement that is entered into before such "loss".

To the extent that the "insured's" rights to recover damages for all or part of any payment made under this insurance has not been waived, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

Liability Insurance

Endorsement

Policy Period	JUNE 1, 2025 TO JUNE 1, 2026
Effective Date	JUNE 1, 2025
Policy Number	3579-66-87
Insured	ROBERT HALF INC.
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JUNE 1, 2025

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added.

Who Is An Insured

Additional Insured - Scheduled Person Or Organization

Persons or organizations shown in the Schedule are **insureds**; but they are **insureds** only if you are obligated pursuant to a contract or agreement to provide them with such insurance as is afforded by this policy.

However, the person or organization is an **insured** only:

- if and then only to the extent the person or organization is described in the Schedule;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**;
- for activities that did not occur, in whole or in part, before the execution of the contract or agreement; and
- with respect to damages, loss, cost or expense for injury or damage to which this insurance applies.

No person or organization is an **insured** under this provision:

- that is more specifically identified under any other provision of the Who Is An Insured section (regardless of any limitation applicable thereto).
- with respect to any assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages, loss, cost or expense for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.

Liability Endorsement
(continued)

Under Conditions, the following provision is added to the condition titled Other Insurance.

Conditions

Other Insurance – Primary, Noncontributory Insurance – Scheduled Person Or Organization

If you are obligated, pursuant to a contract or agreement, to provide the person or organization shown in the Schedule with primary insurance such as is afforded by this policy, then in such case this insurance is primary and we will not seek contribution from insurance available to such person or organization.

Schedule

PERSONS OR ORGANIZATIONS THAT YOU ARE OBLIGATED, PURSUANT TO WRITTEN CONTRACT OR AGREEMENT BETWEEN YOU AND SUCH PERSON OR ORGANIZATION, TO PROVIDE WITH SUCH INSURANCE AS IS AFFORDED BY THIS POLICY; BUT THEY ARE INSUREDS ONLY IF AND TO THE MINIMUM EXTENT THAT SUCH CONTRACT OR AGREEMENT REQUIRES THE PERSON OR ORGANIZATION TO BE AFFORDED STATUS AS AN INSURED. HOWEVER, NO PERSON OR ORGANIZATION IS AN INSURED UNDER THIS PROVISION WHO IS MORE SPECIFICALLY DESCRIBED UNDER ANY OTHER PROVISION OF THE WHO IS INSURED SECTION OF THIS POLICY (REGARDLESS OF ANY LIMITATION APPLICABLE THERETO).

All other terms and conditions remain unchanged.

Authorized Representative

Conditions
(continued)

Transfer Or Waiver Of Rights Of Recovery Against Others

We will waive the right of recovery we would otherwise have had against another person or organization, for loss to which this insurance applies, provided the **insured** has waived their rights of recovery against such person or organization in a contract or agreement that is executed before such loss.

To the extent that the **insured**'s rights to recover all or part of any payment made under this insurance have not been waived, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

This condition does not apply to **medical expenses**.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

SCHEDULE

WHERE A WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS IS REQUIRED BY WRITTEN CONTRACT, SUCH ADDITIONAL ENTITIES SHALL BE CONSIDERED AUTOMATICALLY SCHEDULED BY THE COMPANY.

INDIVIDUALLY SCHEDULED WAIVERS SHALL NOT BE CONSTRUED TO OVERRIDE NOR NEGATE THIS BLANKET WAIVER.

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 06/01/2025 Policy No. LDS4064812 Endorsement No.

Insured ROBERT HALF INC. Premium $ Included

Insurance Company Safety National Casualty Corporation

Countersigned By _____

© 1983 National Council on Compensation Insurance.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

SCHEDULE

WHERE A WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS IS REQUIRED BY WRITTEN CONTRACT, SUCH ADDITIONAL ENTITIES SHALL BE CONSIDERED AUTOMATICALLY SCHEDULED BY THE COMPANY.

INDIVIDUALLY SCHEDULED WAIVERS SHALL NOT BE CONSTRUED TO OVERRIDE NOR NEGATE THIS BLANKET WAIVER.

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 06/01/2025 Policy No. PS 4064813 Endorsement No.

Insured ROBERT HALF INC. Premium $ Included

Insurance Company Safety National Casualty Corporation

Countersigned By _____

© 1983 National Council on Compensation Insurance.

FOURTH AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND ROBERT HALF INC.

THIS FOURTH AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("Fourth Amendment") is made and entered into on June 3, 2025, by and between the City of Redondo Beach, a chartered municipal corporation ("City"), and Robert Half Inc., a Delaware corporation ("Contractor").

WHEREAS, on November 21, 2023, the parties hereto entered into an Agreement for Project Services (the "Agreement");

WHEREAS, on June 18, 2024, the parties hereto entered into the First Amendment to the Agreement (the "First Amendment") to add an Accounting Clerk position, extend the term to December 31, 2025, and increase the total compensation limit to $54,999;

WHEREAS, on October 1, 2024, the parties hereto entered into the Second Amendment to the Agreement (the "Second Amendment") to increase the total compensation limit to $89,499;

WHEREAS, on December 3, 2024, the parties hereto entered into the Third Amendment to the Agreement (the "Third Amendment") to increase the total compensation limit to $164,499; and

WHEREAS, the parties 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 amendment to the Agreement:

1. **COMPENSATION.** Exhibit "C" of the Agreement, as amended by Exhibits "C-1", "C-2", and "C-3" is hereby further amended to add Exhibit "C-4" to increase the Contractor's compensation limit by $120,000, setting a new total compensation limit of $284,499. Exhibit "C-4", which also updates the notice provisions, is attached hereto and incorporated by this reference. Contractor shall continue to be compensated for the services described in Exhibits "A" and "A-1".
2. **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, Third Amendment and this Fourth Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreements with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, Third Amendment and this Fourth Amendment, the terms of this Fourth Amendment shall govern.

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment in Redondo Beach, California, as of this 3rd day of June, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...

James A. Light, Mayor

ROBERT HALF INC.
a Delaware corporation

Signed by:
Alexandra Von Tiergarten
3F1C253DBA0C4B7...

By: Alexandra Von Tiergarten
Name:
Title: SVP

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

Signed by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Signed by:
A5A27AAE40834DE...

Joy A. Ford, City Attorney

EXHIBIT "C-4"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid in accordance with the schedule set forth below.

Title	Name of Assigned Individual	Hourly Bill Rate
Accounting Clerk	TBD	$34-45/hr
Accounting Specialist	TBD	$43-58/hr
Accountant	TBD	$65-85/hr
Senior Accountant	TBD	$85-115/hr
Total Not to Exceed Amount		**$284,499**

In the event City wishes to convert any of Contractor's Assigned Individuals, City agrees to pay a conversion fee in accordance with this Section. The conversion fee will equal a percentage of the Assigned Individual's aggregate annual compensation, including bonuses, based on the length of assignment. City agrees to pay a conversion fee if Contractor's Assigned Individual is hired by an affiliate or other related business entity as a result of City's subsequent referral of the Assigned Individual or one of City's customers as a result of Assigned Individual providing services to that customer. The conversion fee is payable if City hires the Assigned Individual, regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. The same calculation will be used if City converts Contractor's Assigned Individual on a part-time basis using the full-time equivalent salary; however, the conversion fee will not be less than $1,000.

The conversion fee will equal a percentage of the Professional's aggregate annual compensation, including bonuses, based on the length of assignment:

0-159 hours worked = 20% of person's annual base salary
160+ hours worked = 17% of person's annual base salary
320+ hours worked = 14% of person's annual base salary
480+ hours worked = 11% of person's annual base salary
640+ hours worked = 8% of person's annual base salary
720+ hours worked = 5% of person's annual base salary
880+ hours worked = $2000 flat fee

2. **METHOD OF PAYMENT**. The Assigned Individual will present a timesheet or an electronic time record to City for verification and approval at the end of each week.

Contractor will bill City weekly for the total hours worked. If applicable, overtime will be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate. Contractor may charge City a fee for the provision of equipment or technology, if City requests that the Assigned Individual use equipment or technology provided by Contractor. Contractor may also increase Contractor's rates to reflect increases in Contractor's cost of doing business, including costs associated with higher wages for workers and/or related taxes, benefits or other costs. Contractor will provide written or verbal notice of technology charges and/or increases in rates. Any increase in rates will be prospective, starting as of the effective date Contractor specifies.

3. **SCHEDULE FOR PAYMENT**. City shall process payment within 30 days of receipt of invoice.

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

Contractor: Robert Half Inc.
970 W. 19th St. Suite 400
Torrance, CA 90502
Attention: Jennifer Rutchland, Senior Vice President
Email: jennifer.rutchland@roberthalf.com

With a Copy to:
Robert Half Inc.
3001 Bishop Drive
San Ramon, CA 94583
Attention: Client Contracts Department
Email: david.saidnia@roberthalf.com

City: City of Redondo Beach
Financial Services Department
415 Diamond St., Door 1
Redondo Beach, CA 90277
Attention: Stephanie Meyer, Finance Director
Email: stephanie.meyer@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.

THIRD AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND ROBERT HALF INC.

THIS THIRD AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("Third Amendment") is made and entered into on December 3, 2024, by and between the City of Redondo Beach, a chartered municipal corporation ("City"), and Robert Half Inc., a Delaware corporation ("Contractor").

WHEREAS, on November 21, 2023, the parties hereto entered into an Agreement for Project Services (the "Agreement");

WHEREAS, on June 18, 2024, the parties hereto entered into the First Amendment to the Agreement (the "First Amendment") to add an Accounting Clerk position, extend the term to December 31, 2025, and increase the total compensation limit to $54,999;

WHEREAS, on October 1, 2024, the parties hereto entered into the Second Amendment to the Agreement (the "Second Amendment") to increase the total compensation limit to $89,499; and

WHEREAS, the parties 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 amendment to the Agreement:

1. **COMPENSATION.** Exhibit "C" of the Agreement, as amended by Exhibits "C-1 and "C-2", is hereby further amended to add Exhibit "C-3" to increase the Contractor's compensation limit by $75,000, setting a new total compensation limit of $164,499, as detailed in Exhibit "C-3", which is attached hereto and incorporated by this reference. Contractor shall continue to be compensated for the services described in Exhibits "A" and "A-1".
2. **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 agreements with respect to the subject matter hereof. 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 ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Third Amendment in Redondo Beach, California, as of this 3rd day of December, 2024.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...
James A. Light, Mayor

ROBERT HALF INC.,
a Delaware corporation

Signed by:
By: David Saidnia
204531F4C607428...
Name: David Saidnia
Title: Regional Director

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...
Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...
Michael W. Webb, City Attorney

EXHIBIT "C-3"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid in accordance with the schedule set forth below.

Title	Name of Assigned Individual	Hourly Bill Rate
Accounting Clerk	TBD	$34-45/hr
Accounting Specialist	TBD	$43-58/hr
Accountant	TBD	$65-85/hr
Senior Accountant	TBD	$85-115/hr
Total Not to Exceed Amount		**$164,499**

In the event City wishes to convert any of Contractor's Assigned Individuals, City agrees to pay a conversion fee in accordance with this Section. The conversion fee will equal a percentage of the Assigned Individual's aggregate annual compensation, including bonuses, based on the length of assignment. City agrees to pay a conversion fee if Contractor's Assigned Individual is hired by an affiliate or other related business entity as a result of City's subsequent referral of the Assigned Individual or one of City's customers as a result of Assigned Individual providing services to that customer. The conversion fee is payable if City hires the Assigned Individual, regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. The same calculation will be used if City converts Contractor's Assigned Individual on a part-time basis using the full-time equivalent salary; however, the conversion fee will not be less than $1,000.
The conversion fee will equal a percentage of the Professional's aggregate annual compensation, including bonuses, based on the length of assignment:

0-159 hours worked = 20% of person's annual base salary
160+ hours worked = 17% of person's annual base salary
320+ hours worked = 14% of person's annual base salary
480+ hours worked = 11% of person's annual base salary
640+ hours worked = 8% of person's annual base salary
720+ hours worked = 5% of person's annual base salary
880+ hours worked = $2000 flat fee

2. **METHOD OF PAYMENT**. The Assigned Individual will present a timesheet or an electronic time record to City for verification and approval at the end of each week. Contractor will bill City weekly for the total hours worked. If applicable, overtime will

be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate. Contractor may charge City a fee for the provision of equipment or technology, if City requests that the Assigned Individual use equipment or technology provided by Contractor. Contractor may also increase Contractor's rates to reflect increases in Contractor's cost of doing business, including costs associated with higher wages for workers and/or related taxes, benefits or other costs. Contractor will provide written or verbal notice of technology charges and/or increases in rates. Any increase in rates will be prospective, starting as of the effective date Contractor specifies.

3. **SCHEDULE FOR PAYMENT**. City shall process payment within 30 days of receipt of invoice.

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

Contractor: Robert Half, Inc.
970 W. 190th St., Suite 400
Torrance, CA 90502
Attention: Jennifer Rutchland, Senior Vice President
Email: jennifer.rutchland@roberthalf.com

With a Copy to:
Robert Half Inc.
3001 Bishop Drive
San Ramon, CA 94583
Attention: Client Contracts Department
Email: david.saidnia@roberthalf.com

City: City of Redondo Beach
Financial Services Department
415 Diamond St.
Redondo Beach, CA 90277
Attention: Stephanie Meyer, Interim Finance Director
Email: stephanie.meyer@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.

SECOND AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND ROBERT HALF INC.

THIS SECOND AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("Second Amendment") is made and entered into on October 1, 2024, by and between the City of Redondo Beach, a chartered municipal corporation ("City"), and Robert Half Inc., a Delaware corporation ("Contractor").

WHEREAS, on November 21, 2023, the City and Contractor entered into an Agreement for Project Services (the "Agreement"); and

WHEREAS, on June 18, 2024, the City and Contractor entered into the First Amendment to the Agreement (the "First Amendment"); and

WHEREAS, the parties 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 amendment to the Agreement:

1. **COMPENSATION.** Exhibit "C" of the Agreement, as amended by Exhibit "C-1", is further amended to increase the Contractor's compensation limit by $34,500 setting a new total compensation limit of $89,499, as detailed in Exhibit "C-2", which is attached hereto and incorporated by reference. Contractor shall continue to be compensated for the services described in Exhibits "A" and "A-1".
2. **NO OTHER AMENDMENTS**. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, First Amendment and this Second Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreements with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, and this Second Amendment, the terms of this Second Amendment shall govern.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 1st day of October, 2024.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
James Light, Mayor
6BC0853B8F644F1...

James A. Light, Mayor

ROBERT HALF INC.
a Delaware corporation

Signed by:
David Saidnia
204531F4C607428...

By: _____
Name: David Saidnia
Title: Regional Director

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "C-2"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid in accordance with the schedule set forth below.

Title	Name of Assigned Individual	Hourly Bill Rate
Accounting Clerk	TBD	$34-45/hr
Accounting Specialist	TBD	$43-58/hr
Accountant	TBD	$65-85/hr
Senior Accountant	TBD	$85-115/hr
Total Not to Exceed Amount		**$89,499**

In the event City wishes to convert any of Contractor's Assigned Individuals, City agrees to pay a conversion fee in accordance with this Section. The conversion fee will equal a percentage of the Assigned Individual's aggregate annual compensation, including bonuses, based on the length of assignment. City agrees to pay a conversion fee if Contractor's Assigned Individual is hired by an affiliate or other related business entity as a result of City's subsequent referral of the Assigned Individual or one of City's customers as a result of Assigned Individual providing services to that customer. The conversion fee is payable if City hires the Assigned Individual, regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. The same calculation will be used if City converts Contractor's Assigned Individual on a part-time basis using the full-time equivalent salary; however, the conversion fee will not be less than $1,000.

The conversion fee will equal a percentage of the Professional’s aggregate annual compensation, including bonuses, based on the length of assignment:

0-159 hours worked = 20% of person’s annual base salary

160+ hours worked = 17% of person’s annual base salary

320+ hours worked = 14% of person’s annual base salary

480+ hours worked = 11% of person’s annual base salary

640+ hours worked = 8% of person’s annual base salary

720+ hours worked = 5% of person's annual base salary

880+ hours worked = $2000 flat fee

2. **METHOD OF PAYMENT.** The Assigned Individual will present a timesheet or an electronic time record to City for verification and approval at the end of each week. Contractor will bill City weekly for the total hours worked. If applicable, overtime will be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate. Contractor may charge City a fee for the provision of equipment or technology, if City requests that the Assigned Individual use equipment or technology provided by Contractor. Contractor may also increase Contractor's rates to reflect increases in Contractor's cost of doing business, including costs associated with higher wages for workers and/or related taxes, benefits or other costs. Contractor will provide written or verbal notice of technology charges and/or increases in rates. Any increase in rates will be prospective, starting as of the effective date Contractor specifies.

3. **SCHEDULE FOR PAYMENT**. City shall process payment within 30 days of receipt of invoice.

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

Contractor: Robert Half Inc.
970 W. 19th St. Suite 400
Torrance, CA 90502
Attention: Jennifer Rutchland, Senior Vice President
Email: jennifer.rutchland@roberthalf.com

With a Copy to:
Robert Half Inc.
2613 Camino Ramon
San Ramon, CA 94583
Attention: Client Contracts Dept.
Email: david.saidnia@roberthalf.com

City: City of Redondo Beach
Financial Services Department
415 Diamond St.
Redondo Beach, CA 90277
Attention: Stephanie Meyer, Interim Finance Director
Email: stephanie.meyer@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.

FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES BETWEEN THE CITY OF REDONDO BEACH AND ROBERT HALF INC.

THIS FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("First Amendment") is made and entered into on June 18, 2024, by and between the City of Redondo Beach, a chartered municipal corporation ("City"), and Robert Half Inc., a Delaware corporation ("Contractor").

WHEREAS, on November 21, 2023, the City and Contractor entered into an Agreement for Project Services (the "Agreement"); and

WHEREAS, the City and Contractor desire to amend the Agreement to assign an Accounting Clerk to the position list, extend the term of the Agreement, and increase the Contractor's compensation limit.

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. **SCOPE OF SERVICES**. Exhibit "A" of the Agreement is hereby amended to add Exhibit "A-1", which adds Accounting Clerk to the list of positions. Exhibit "A-1" is attached hereto and incorporated by this reference.

2. **TERM AND TIME OF COMPLETION**. Exhibit "B" of the Agreement is hereby amended to add Exhibit "B-1", which extends the term of the Agreement to December 31, 2025. Exhibit "B-1" is attached hereto and incorporated by this reference. Contractor shall commence and complete all services described in Exhibits "A" to "A-1" of the Agreement in accordance with the schedule set forth in Exhibit "B-1".

3. **COMPENSATION.** Exhibit "C" of the Agreement is hereby amended to add Exhibit "C-1" to increase the Contractor's compensation limit by $20,000, setting a new limit of $54,999. Exhibit "C-1" is attached hereto and incorporated by reference.

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

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 18th day of June, 2024.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...

James A. Light, Mayor

ROBERT HALF INC.
a Delaware corporation

DocuSigned by:
David Saidnia
204531F4C607428...

By:
Name: David Saidnia
Title: Regional Director

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "A-1"

SCOPE OF SERVICES

CONTRACTOR'S DUTIES

This SOW is incorporated into the Agreement by this reference and made a part thereof. Capitalized terms not otherwise defined herein are defined in the Agreement.

1. Scope of Engagement. Contractor shall assign one or more individual(s) to the City to assist the City with the completion of the following tasks:

    a. **Accounting Clerk:** The Assigned Individual(s) shall perform entry-level accounting clerical work, which shall include, but not be limited to, the following:
        i. **Accounts Receivable / Accounts Payable:** Assist with the processing of accounts payable and receivable by matching, batching, coding and entering invoices; posting and reconciling batches; researching and resolving issues with customers and vendors; and matching invoices to purchase orders or vouchers.
        ii. **Cashier's Office**: Receive and collect payments, manage cash, maintain data entry of cash applications, process bills, and post payments to customer accounts.
        iii. **Payroll Assistance:** Assist with payroll processing as directed.

    b. **Accounting Specialist:** The Assigned Individual(s) shall perform the basic functions of accounting clerical work, which shall include, but not be limited to, the following:
        i. **Accounts Receivable:** Receive payments, manage cash, process wire payments, handle billing and invoicing, collect payments, and post payments to customer accounts.
        ii. **Accounts Payable:** Verify and enter invoices for payment processing, cut checks for payment, and manage deposits and wires for payments.
        iii. **Payroll Assistance:** Audit timecards and assist with payroll processing.
        iv. **General Ledger (G/L) Management:** Perform G/L account reconciliations and various month-end and year-end accounting data entries.

    c. **Accountant / Senior Accountant:** The Assigned Individual(s) shall perform all the duties of an Accounting Specialist, in addition to the following duties:
        i. Conduct bank reconciliations and manage wire transfers.
        ii. Perform journal entries, G/L postings, and G/L account reconciliations.
        iii. Prepare financial statements, manage balance sheet reconciliations, and handle accruals.
        iv. **Perform fixed assets accounting, engage in the budgeting processes, and conduct financial analysis.**
        v. **Provide** month-end and year-end accounting.

vi. Review and audit postings, leases, revenues, debt service and other accounting activities for accuracy and compliance with the Generally Accepted Accounting Principles.

2. Assigned Individuals. Contractor shall assign the following individual(s) (each an "Assigned Individual") to City for this engagement:

Title	Name of Assigned Individual	Hourly Bill Rate	Estimated Start Date
Accounting Clerk	TBD	$34-45/hr	TBD - City designated date
Accounting Specialist	TBD	$43-58/hr	TBD - City designated date
Accountant	TBD	$65-85/hr	TBD - City designated date
Senior Accountant	TBD	$85-115/hr	TBD - City designated date

If additional placements are required, a written amendment will need to be agreed on by both parties and signed by authorized representatives of both parties. The amendment will state at minimum the Assigned Individual's name, role, start date, and hourly rate.

EXHIBIT “B-1”

TERM AND TIME OF COMPLETION

The term of this Agreement shall be extended to December 31, 2025 (“Term”), unless otherwise terminated as herein provided.

EXHIBIT "C-1"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid in accordance with the schedule set forth below.

Title	Name of Assigned Individual	Hourly Bill Rate
Accounting Clerk	TBD	$34-45/hr
Accounting Specialist	TBD	$43-58/hr
Accountant	TBD	$65-85/hr
Senior Accountant	TBD	$85-115/hr
Total Not to Exceed Amount of SOW		**$54,999**

In the event City wishes to convert any of Contractor's Assigned Individuals, City agrees to pay a conversion fee in accordance with this Section. The conversion fee will equal a percentage of the Assigned Individual's aggregate annual compensation, including bonuses, based on length of assignment. City agrees to pay a conversion fee if Contractor's Assigned Individual is hired by an affiliate or other related business entity as a result of City's subsequent referral of the Assigned Individual or one of City's customers as a result of Assigned Individual providing services to that customer. The conversion fee is payable if City hires the Assigned Individual, regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. The same calculation will be used if City converts Contractor's Assigned Individual on a part-time basis using the full-time equivalent salary; however, the conversion fee will not be less than $1,000.

The conversion fee will equal a percentage of the Professional’s aggregate annual compensation, including bonuses, based on the length of assignment:

0-159 hours worked = 20% of person’s annual base salary

160+ hours worked = 17% of person’s annual base salary

320+ hours worked = 14% of person’s annual base salary

480+ hours worked = 11% of person’s annual base salary

640+ hours worked = 8% of person’s annual base salary

720+ hours worked = 5% of person’s annual base salary

880+ hours worked = $2000 flat fee

2. **METHOD OF PAYMENT.** Assigned Individual will present a time sheet or an electronic time record to City for verification and approval at the end of each week. Contractor will bill City weekly for the total hours worked. If applicable, overtime will be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate. Contractor may charge City a fee for the provision of equipment or technology, if City requests that Assigned Individual use equipment or technology provided by Contractor. Contractor may also increase Contractor's rates to reflect increases in Contractor's cost of doing business, including costs associated with higher wages for workers and/or related taxes, benefits or other costs. Contractor will provide written or verbal notice of technology charges and/or increases in rates. Any increase in rates will be prospective, starting as of the effective date Contractor specifies.

3. **SCHEDULE FOR PAYMENT**. City shall process payment within 30 days of receipt of invoice.

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

Contractor: Robert Half Inc.
970 W. 19th St. Suite 400
Torrance, CA 90502
Attention: Jennifer Rutchland, Senior Vice President
Email: jennifer.rutchland@roberthalf.com

With a Copy to:
Robert Half Inc.
2613 Camino Ramon
San Ramon, CA 94583
Attention: Client Contracts Dept.

Contractor: City of Redondo Beach
Financial Services Department
415 Diamond St.
Redondo Beach, CA 90277
Attention: Wendy Collazo, Finance Director
Email: wendy.collazo@redondo.org

All notices, including notices of address changes, provided under this Agreement are deemed received on the second business day if sent by email or the third day after mailing if sent by registered or certified mail. 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.

AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND ROBERT HALF INC.

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Robert Half Inc., a Delaware corporation ("Contractor").

The parties hereby agree as follows:

A. Description of Project or Scope of Services. Contractor agrees to assign one or more individuals (each an "Assigned Individual") to assist the City, as set forth in Exhibit "A".

B. Term. The term of the agreement is set forth in Exhibit "B".

C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

C. Insurance. Contractor agrees to comply with the insurance requirements set forth in Exhibit "D".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.

2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained by Assigned Individuals pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said

plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Reserved.

5. Reserved.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

8. Reserved.

9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the staffing services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of the staffing industry.

10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work performed prior to the effective date of termination; and (2) any applicable conversion fees. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not. Contractor may terminate this Agreement with thirty (30) days written notice to the City.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement.

14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively “Indemnitees”) from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, reasonable attorney’s fees, costs, and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any negligence or willful misconduct of Contractor in performance of the Agreement (including negligence or willful misconduct by any of its officers, agents, employees, Subcontractors), or its failure to comply with any of its obligations contained in the Agreement, violation of law except for such loss or damage which was caused by the gross negligence or willful misconduct of the City. Contractor’s obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and

shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City’s prior written consent shall constitute a material default under this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or

written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference.

25. Reserved.

26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

32. Warranty. Contractor guarantees City's satisfaction with Contractor's Assigned Individuals by extending to City a one day (eight hours) guarantee for members of the finance & accounting contract talent practice group (as applicable, the "Guarantee Period"). If, for any reason, City is dissatisfied with the Assigned Individual assigned to City, Contractor will not charge for the Guarantee Period worked, provided Contractor is allowed to replace the Assigned Individual. Unless City contacts Contractor before the end of the guarantee period, City agrees that Contractor's Assigned Individual is satisfactory for purposes of this guarantee.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

36. Additional Terms. Nothing in this Agreement shall obligate Contractor's practice group or branch offices, other than Robert Half's finance & accounting contract talent practice group of the Contractor's branch office located in Torrance, CA (the "Branch"), to perform services under the terms and conditions contained herein this Agreement. Notwithstanding the foregoing, Contractor shall be responsible for any liability or claim arising out of the Branch's performance of the services under the terms of this Agreement.

City shall supervise Assigned Individuals providing services to City. City shall not permit or require Assigned Individuals (i) to perform services outside of the scope of Assigned Individual's assignment; (ii) to sign contracts or statements (including SEC documents); (iii) to make any management decisions; (iv) to make any final decisions regarding system design, software development or the acquisition of hardware or software; (v) to sign, endorse, wire, transport or otherwise convey cash, securities, checks, or any negotiable instruments or valuables; (vi) to use computers, or other electronic devices, software or network equipment owned or licensed by Assigned Individual; (vii) to operate machinery (other than office

machines) or automotive equipment. City may request that Contractor permit its Assigned Individuals to provide services to City remotely (i.e., from a location other than City's offices) using City's or Contractor's laptop and/or other computer or telecommunications equipment (the "Equipment"). City acknowledges and agrees that Contractor shall have no control over, and City shall be solely responsible for, (i) the logical and physical performance, reliability and security of the Equipment or related devices, network accessibility and availability, software, services, tools and e-mail accounts (collectively, "Computer Systems") used by the Assigned Individual, and (ii) the security, integrity, and backing up of the data and other information stored therein or transmitted thereby.

Moreover, City must not require Assigned Individual to save or store any of City's files or other data on the Computer Systems provided by Contractor (including, but not limited to, any virtual desktop infrastructure solution). Since Contractor is not a professional accounting firm, City agrees that City will not permit or require Assigned Individual (a) to render an opinion on behalf of Contractor or on City's behalf regarding financial statements; (b) to sign the name of Contractor on any document; or (c) to sign their own names on financial statements or tax returns.

It is understood that City has full responsibility for: (i) providing safe working conditions as required by law, including compliance with all public health and occupational safety regulations and guidelines applicable to City's business, and (ii) ensuring that safety plans exist for, and safety related training is provided to, Assigned Individuals working on City's premises.

If City requires Contractor to perform background checks or other placement screenings of Assigned Individuals, City agrees to notify Contractor prior to the start of services under this Agreement. Contractor will conduct such checks or screenings only if they are described in a signed, written amendment to this Agreement. If City requests a copy of the results of any checks conducted on Contractor's Assigned Individuals, City agrees to keep such results strictly confidential and to use such results in accordance with applicable laws..

Unless otherwise provided by law, City agrees to agrees to implement and maintain reasonable security procedures and practices to protect such information from unauthorized access, use, modification or disclosure to hold in confidence the Assigned Individual's legally protected personal information.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 21st day of November, 2023.

CITY OF REDONDO BEACH

DocuSigned by:
William C. Brand
E6413C7231DF4E1...

William C. Brand, Mayor

ROBERT HALF INC.

By: DocuSigned by: David Saidnia
Name: David Saidnia
Title: Regional Director

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CE5FEF484F...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

CONTRACTOR'S DUTIES

This SOW is incorporated into the Agreement by this reference and made a part thereof. Capitalized terms not otherwise defined herein are defined in the Agreement.

1. Scope of Engagement. Contractor shall assign one or more individual(s) to the City to assist the City with the completion of the following tasks:

    a. **Accounting Specialist:** The Assigned Individual(s) shall perform the basic functions of accounting clerical work, which shall include, but not be limited to, the following:
        i. Accounts Receivable: Receive payments, manage cash, process wire payments, handle billing and invoicing, collect payments, and post payments to customer accounts.
        ii. Accounts Payable: Verify and enter invoices for payment processing, cut checks for payment, and manage deposits and wires for payments.
        iii. Payroll Assistance: Audit timecards and assist with payroll processing.
        iv. General Ledger (G/L) Management: Perform G/L account reconciliations and various month-end and year-end accounting data entries.

    b. **Accountant / Senior Accountant:** The Assigned Individual(s) shall perform all the duties of an Accounting Specialist, in addition to the following duties:
        i. Conduct bank reconciliations and manage wire transfers.
        ii. Perform journal entries, G/L postings, and G/L account reconciliations.
        iii. Prepare financial statements, manage balance sheet reconciliations, and handle accruals.
        iv. Perform fixed assets accounting, engage in the budgeting processes, and conduct financial analysis.
        v. Provide month-end and year-end accounting.
        vi. Review and audit postings, leases, revenues, debt service and other accounting activities for accuracy and compliance with the Generally Accepted Accounting Principles.

2. Assigned Individuals. Contractor shall assign the following individual(s) (each an "Assigned Individual") to City for this engagement:

Title	Name of Assigned Individual	Hourly Bill Rate	Estimated Start Date	Estimated End Date
Accounting Specialist	TBD	$43-58/hr	TBD - City designated date	12/31/2024
Accountant	TBD	$65-85/hr	TBD - City designated date	12/31/2024
Senior Accountant	TBD	$85-115/hr	TBD - City designated date	12/31/2024

If additional placements are required, a written amendment will need to be agreed on by both parties and signed by authorized representatives of both parties. The amendment will state at minimum the Assigned Individual's name, role, start date, and hourly rate.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence November 21, 2023 and expire December 31, 2024 (“Term”), unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** Contractor shall be paid in accordance with the schedule set forth below.

Title	Name of Assigned Individual	Hourly Bill Rate
Accounting Specialist	TBD	$43-58/hr
Accountant	TBD	$65-85/hr
Senior Accountant	TBD	$85-115/hr
Total Not to Exceed Amount of SOW		**$34,999**

In the event City wishes to convert any of Contractor's Assigned Individuals, City agrees to pay a conversion fee in accordance with this Section. The conversion fee will equal a percentage of the Assigned Individual's aggregate annual compensation, including bonuses, based on length of assignment. City agrees to pay a conversion fee if Contractor's Assigned Individual is hired by an affiliate or other related business entity as a result of City's subsequent referral of the Assigned Individual or one of City's customers as a result of Assigned Individual providing services to that customer. The conversion fee is payable if City hires the Assigned Individual, regardless of the job classification, on either a full-time, temporary (including temporary assignments through another agency) or consulting basis within twelve months after the last day of the assignment. The same calculation will be used if City converts Contractor's Assigned Individual on a part-time basis using the full-time equivalent salary; however, the conversion fee will not be less than $1,000.

The conversion fee will equal a percentage of the Professional’s aggregate annual compensation, including bonuses, based on the length of assignment:

0-159 hours worked = 20% of person’s annual base salary
160+ hours worked = 17% of person’s annual base salary
320+ hours worked = 14% of person’s annual base salary
480+ hours worked = 11% of person’s annual base salary
640+ hours worked = 8% of person’s annual base salary
720+ hours worked = 5% of person’s annual base salary
880+ hours worked = $2000 flat fee

2. **METHOD OF PAYMENT.** Assigned Individual will present a time sheet or an electronic time record to City for verification and approval at the end of each week.

Contractor will bill City weekly for the total hours worked. If applicable, overtime will be billed at 1.50 times the normal billing rate. Federal law defines overtime as hours in excess of 40 hours per week, state laws vary. If state law requires double time pay, the double time hours will be billed at 2.00 times the normal billing rate. Contractor may charge City a fee for the provision of equipment or technology, if City requests that Assigned Individual use equipment or technology provided by Contractor. Contractor may also increase Contractor's rates to reflect increases in Contractor's cost of doing business, including costs associated with higher wages for workers and/or related taxes, benefits or other costs. Contractor will provide written or verbal notice of technology charges and/or increases in rates. Any increase in rates will be prospective, starting as of the effective date Contractor specifies.

3. **SCHEDULE FOR PAYMENT**. City shall process payment within 30 days of receipt of invoice.

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

Contractor: Robert Half Inc.
970 W. 19th St. Suite 400
Torrance, CA 90502
Attention: Jennifer Rutchland, Senior Vice President
Email: jennifer.rutchland@roberthalf.com

With a Copy to:
Robert Half Inc.
2613 Camino Ramon
San Ramon, CA 94583
Attention: Client Contracts Dept.

Contractor: City of Redondo Beach
Financial Services Department
415 Diamond St.
Redondo Beach, CA 90277
Attention: Wendy Collazo, Finance Director
Email: wendy.collazo@redondo.org

All notices, including notices of address changes, provided under this Agreement are deemed received on the second business day if sent by email or the third day after mailing if sent by registered or certified mail. 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.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor 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 work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII- and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded.

Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Administrative Report

H.16., **File #** 25-1460 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ELEANOR MANZANO, CITY CLERK

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2510-080, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASS SPECIFICATIONS TO AMEND THE POSITION OF ASSISTANT CITY CLERK

EXECUTIVE SUMMARY

The City maintains an Official Book of Class Specifications for positions in the service of the City. As recruitments for open positions are initiated, class titles and specifications are updated to validate job duties, responsibilities, and qualifications. The City Clerk recently recruited for the Assistant City Clerk position however, it provided a low turnout related to the required qualifications. A recommendation was made to change the requirement regarding certain certifications from “required” to “highly desirable”. The purpose of this is to broaden the applicant pool. Therefore, attached is a resolution amending the job specification for the position of Assistant City Clerk.

BACKGROUND

The position of Assistant City Clerk’s title and job specification was created and approved by Council on June 10, 2025. However due to a low applicant turnout related to the required qualifications, the City Clerk recommends amending the requirement of Certified Municipal Clerk (CMC) from a required qualification to a highly desirable qualification.

COORDINATION

The Human Resources and City Clerk’s Office coordinated with the updated class specifications. The City Attorney’s Office reviewed the Resolution and approved as to form.

FISCAL IMPACT

There is no fiscal impact associated with updating the Official Book of Class Specifications.

APPROVED BY:

Eleanor Manzano, City Clerk

ATTACHMENTS

- Reso - No. CC-2510-080 Amending the Official Book of Class Specifications for Assistant City Clerk

RESOLUTION NO. CC-2510-080

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASS SPECIFICATIONS TO AMEND THE POSITION OF ASSISTANT CITY CLERK

WHEREAS, pursuant to Sections 2-3.602 and 2-3.603 of Article 6, Chapter 3, Title 2 of the Redondo Beach Municipal Code, the Mayor and City Council of the City of Redondo Beach ("City Council') shall set forth from time to time the Class Titles and Salaries for job classifications; and,

WHEREAS, pursuant to Section 2- 3.502 of Article 5, Chapter 3, Title 2 of the Redondo Beach Municipal Code, the Mayor and City Council shall set forth from time to time the Specifications for job classifications; and

WHEREAS, the City Clerk desires to amend position of Assistant City Clerk to serve as a “second in command” to the City Clerk; and

WHEREAS, the Assistant City Clerk is assigned to the Management and Confidential Bargaining Unit; and

WHEREAS, it is necessary to amend the Official Book of Class Specifications to reflect such actions of the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the Official Book of Classifications is hereby amended, as reflected in the attached Exhibit “A” relating to amending the Class Specification for the position of Assistant City Clerk.

SECTION 2. This resolution shall take effect immediately upon its adoption by the City Council.

SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 21th day of October, 2025.

_____
James A. Light, Mayor

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

ATTEST:

_____
Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2510-080 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 21th day of October, 2025, and thereafter signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Eleanor Manzano, CMC
City Clerk

EXHIBIT A

JOB SPECIFICATION FOR ASSISTANT CITY CLERK

See attached job specification.

ASSISTANT CITY CLERK

DEFINITION

Under the general direction of the City Clerk, the position is accountable as a team member for performing management level administrative work, planning, organization, and supervision of the City Clerk's Office to achieve results in support of the City's mission, goals, policies and objectives.

EXAMPLES OF DUTIES

This position is accountable as a manager and team member to perform support duties and services including but not limited to:

- Performs duties and responsibilities of the elected City Clerk in his or her absence
- Assists in the daily operations of the City Clerk's Office
- Attends City Council meetings, and selected Commission meetings as requested
- Management duties including, but not limited to planning, organizing and overseeing all functions of the City Clerk's Office, including the conduct of municipal stand-alone elections; City Council agendas, conformance of minutes, resolutions and ordinances and municipal code codification; manages the filing requirements of forms required by the Fair Political Practices Commission (FPPC); oversees the Records Management Division
- Acts as departmental liaison to vendors for the conduct of the City Clerk's Office
- Conducts research and completes administrative reports
- Communicates effectively both orally and in writing
- Establishes and maintains effective working relationships and working cooperatively with co-workers, other members of the management team including the elected City Clerk, City staff and the community
- Supervises staff under the direction of the elected City Clerk and conducts personnel performance evaluations
- Exercises tact, self-restraint and good judgment; taking initiative to achieve positive, timely results for the organization with diplomatic skills and ethical conduct; acting with courtesy and independent judgment; providing sound decision-making skills and critical thinking to provide professional recommendations, decisions and completed staff work
- Supports the City's mission, goals, policies and objectives; delivering outstanding internal and external customer service; solving problems and communicating effectively with the public and fellow employees
- Supports the City's values of: Openness and honesty; integrity and ethics; accountability; responsive and effective customer service; teamwork; excellence; and fiscal responsibility
- Performs other related duties as assigned

CLASSIFICATION

The position is exempt from coverage under the Fair Labor Standards Act and is a member of the Unclassified Service.

MINIMUM QUALIFICATIONS

Knowledge of:

The position requires knowledge of leadership, management practices, techniques and methods to accomplish the goals and objectives of the City by directing the right combination of people, resources, processes and time to successfully achieve results.

The position requires computer literacy with knowledge in the use of Microsoft Office; the ability to communicate using email programs; and an understanding of and adherence to City policies for information technology.

Ability to:

The position's expected competencies are sound decision-making skills; critical-thinking ability; problem solving and innovation skills; drive for results; analytic skills; interpersonal, customer service and diplomatic skills; ethical conduct; and proven top performances.

The position requires meeting the physical employment standards for the classification.

Education and Experience:

The position requires graduation from an accredited college or university with a bachelor's degree in public administration, business administration or a related field. A master's degree in a relevant field is highly desirable. Designation as a California Professional Municipal Clerk (CPMC), Certified Municipal Clerk (CMC) and/or a Master Municipal Clerk is highly desirable. Additional occupationally related work experience may be substituted for the required education on a year-for-year basis up to four (4) years.

The position requires at least three years of increasingly responsible management experience in a city, county, or special district, or comparable business; preferably at a deputy or assistant level. Two years or more experience in a supervisory capacity is highly desirable. Relevant knowledge and experience in some or all of the following areas is preferred: federal, state, and local laws, codes, and regulations including the Brown Act, Political Reform Act, Government Code, Municipal Code and Public Records Act particularly those relevant to records management, and the general functions of municipal government; and records management, imaging and disaster recovery procedures.

Job description statements describe the general nature and levels of work performed by employees and are not intended as an exhaustive list of all responsibilities, duties and skills required.

Administrative Report

H.17., **File #** 25-1461 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: MIKE COOK, INFORMATION TECHNOLOGY DIRECTOR

TITLE

APPROVE A MASTER SERVICES AGREEMENT WITH CAYLENT INC. FOR A PROOF OF VALUE IMPLEMENTATION OF AMAZON WEB SERVICES BEDROCK DOCUMENT MODERNIZATION PLATFORM FOR THE TERM OCTOBER 22, 2025 THROUGH OCTOBER 21, 2026, AT NO COST TO THE CITY

EXECUTIVE SUMMARY

Staff recommends that the City Council approve a Master Services Agreement (MSA) and accompanying Scope of Work with Caylent Inc. (Caylent) for a Proof of Value implementation of Amazon Web Services (AWS) Bedrock, an artificial intelligence-based platform for document classification, metadata extraction, and workflow automation.

This initiative supports the City Council's 2025 Strategic Plan objective to modernize paper-based records and forms across all City Departments. The Proof of Value implementation would demonstrate the capability of AWS Bedrock to automate the identification, classification, and tagging of City records, creating a foundation for large-scale digitization and modernization of document management workflows.

The project and services are valued at $71,535 and would be fully funded by Amazon Web Services at no cost to the City. Upon successful completion of the proof of value implementation, the system would be ready to scale for full production use in future phases.

BACKGROUND

As part of the 2025 Strategic Plan, the City Council directed staff to develop a comprehensive strategy to digitize departmental records and modernize paper and PDF-based workflows. The City has used LaserFiche as its primary content management system since 1998 however, its adoption has been limited primarily to the City Clerk's Office and the Police Department. Most other departments continue to rely on paper files, which has led to inconsistent organization and can create issues for full compliance with the City's records retention policies.

To evaluate the scope of modernization needed, the Information Technology Department and City Clerk's Office met with each Department to assess document volumes, organization, and retention practices. These assessments revealed that many Departments have experienced significant staff turnover, and much of the institutional knowledge regarding records archives has been lost.

A central challenge is the effort required to scan, tag, and classify hundreds of thousands of documents before importing them into LaserFiche. AWS demonstrated that its Bedrock platform, which provides secure, generative AI capabilities through foundation models, can automate these processes. Bedrock can identify document types, extract key dates and metadata fields, enforce retention schedules, and even flag documents eligible for review or disposal - all at a speed and scale that can't be achieved through traditional staff efforts.

To implement and test this technology, AWS recommended Caylent Inc., an AWS Platinum Partner with extensive experience in public-sector AI and data automation projects. Caylent proposed a Proof of Value engagement using 100 non-confidential sample documents from various Departments. The system would be designed in a scalable, cloud-native architecture that could be easily expanded into a production-ready environment should the results prove successful.

Following AWS's review, the company expressed strong support for the project and committed to fully funding the $71,535 Proof of Value implementation, resulting in no cost to the City. The Proof of Value implementation is scheduled to begin upon approval, with an anticipated completion date of December 15, 2025.

COORDINATION

The Information Technology Department coordinated this item with the City Clerk's Office, Amazon Web Services, and Caylent to define the project scope and timeline. The City Attorney's Office has reviewed and approved the Master Services Agreement and Scope of Work as to form.

FISCAL IMPACT

Amazon Web Services would fund the full $71,535 cost of the Proof of Value project resulting in no immediate cost to the City. Any future costs associated with an expanded scope of work would be presented to City Council for consideration of approval at a later date.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Master Services Agreement - Caylent Inc. (executed copy to be provided via blue folder)
- Scope of Work - Proof of Value Implementation
- Certificate of Insurance - Caylent Inc.

CAYLENT

MASTER SERVICES AGREEMENT

This Master Services Agreement ("Agreement") is between **Caylent Inc.,** a Delaware corporation, with offices at 4521 Campus Drive, #344, Irvine, California, 92612 ("Caylent") and **City of Redondo Beach**, a chartered municipal corporation with principal offices at 415 Diamond Street, Redondo Beach, CA 90277 ("Client"). Caylent and Client are each a "Party" and collectively are "Parties" to this Agreement. This Agreement is effective as of the date it is last signed by the Parties below ("Effective Date").

1. STATEMENTS OF WORK & CHANGE ORDERS.

1.1. Statement of Work. Following execution of this Agreement, Caylent and Client shall in good faith negotiate and enter into one or more supplemental documents, each identified as a "Statement of Work" (abbreviated "SOW"), which shall identify the scope of the services to be provided by Caylent (the "Services"), any deliverables related to such Services, if applicable (the "Deliverables"), the estimated schedule of performance, and the estimated costs associated with such Services and Deliverables. If any term within a SOW conflicts with any provision in this Agreement, then the term within the applicable SOW shall prevail.

1.2 Change Orders. If during performance of work under a SOW, Client requests a material change to the Services or the Deliverables, or if Caylent anticipates that the schedule or estimated costs set forth in a SOW are inaccurate, Caylent shall submit proposed revisions for Client's review. If Client and Caylent agree on the scope of the revisions, Caylent will send Client a "Change Order" document to confirm the changes. Change Orders will become effective as of the date that they are signed by authorized representatives of both Caylent and Client.

1.3 Affiliate Contracting. Client's Affiliates may, upon executing a SOW and agreeing to be bound by the provisions of this Agreement, purchase Services from Caylent. Upon execution of a SOW by Caylent and the Affiliate(s), the Affiliate(s) will be bound by the provisions of this Agreement as if they were an original party hereto. Notwithstanding the foregoing, Client shall remain responsible and liable for the actions and omissions of its Affiliates and its Affiliates obligations pursuant to this Agreement. For purposes of this Agreement, "Affiliate(s)" shall mean an entity controlling, controlled by or under common control with a Party to this Agreement at any time during the Term of this Agreement, for so long as such ownership and control exists.

2. PRICING.

2.1 Invoicing & Payment. Client agrees to pay Caylent the fees and expenses described in each SOW. Unless otherwise set out in the applicable SOW, Caylent will invoice Client monthly in arrears for Services performed during the preceding month. Payment of each invoice shall be due net thirty (30) from the receipt of each invoice unless otherwise agreed in the applicable SOW. All payments due to Caylent shall be submitted electronically (via ACH) or by check, and in US Dollars.

2.2 Reimbursable Expenses. The Parties acknowledge that Client is responsible for any Amazon Web Services ("AWS") service charges related to the Services performed by Caylent under a SOW (whether incurred in Client's AWS account, or a Caylent-owned AWS account when requested by Client).

2.3 Disputed Charges. Client shall remit full payment for all invoices without offset. If there is a dispute over a charge within a particular invoice, within thirty (30) business days of receipt of such invoice, Client shall notify Caylent in writing (at billing@caylent.com) of the reason why payment of said invoice (in whole or in part) is in dispute. If an invoice is not disputed within the 30-day period, such invoice shall be deemed accepted by Client. In the event only part of the invoice is in dispute, Client shall pay the remainder of the contested invoice in accordance with the payment terms cited herein. Upon resolution of any disputed invoice, Client shall pay the amount agreed to by the Parties within thirty (30) business days after resolution of such dispute.

2.4 **Late Payment**. In the event that Client does not make an undisputed payment when due, Caylent may suspend Services for non-payment of undisputed amounts, provided however that prior to suspension, Caylent will issue a Notice to Suspend Services for Non-Payment ("Suspension Notice") and reference the applicable invoice(s). If Client does not pay Caylent within five (5) business days from receipt of the Suspension Notice, Caylent may in its discretion suspend the Services and/or terminate the applicable SOW. Client must reimburse Caylent for any third party fees and costs associated with collection of any past due balances.

2.5 Taxes. Charges, fees and other amounts payable under this Agreement and all SOWs exclude applicable taxes (including VAT) and such amounts shall be paid free and clear of any deduction or withholding (except as required by law), provided that if any deduction or withholding is required by law to be made from any payment due from Client under this Agreement, the amount of such payment shall be increased to an amount which will, after such deduction or withholding has been made, leave Caylent with the same amount as it would be entitled to receive under this Agreement or SOW, as applicable, in the absence of any such deduction or withholding. For the avoidance of doubt, Client shall be responsible for the payment of all taxes associated with provision and use of the Services.

3. RESOURCES.

3.1 Background Screening. Caylent represents and warrants that it has performed a thorough pre-employment background check for all Caylent employees that will be involved in performance of Services under this Agreement. All such background checks have been completed by a third-party background investigation firm in compliance with all federal and state statutes (or the international equivalent), and involve the following: (a) performance of a multi-jurisdictional public criminal records search in all counties where the employee has resided, worked, or attended school in the past seven (7) years; (b) performance of a search of an employee's connection to his/her social security number (or national identification number) to determine if there is any background information that was not reported by that individual during a multi-jurisdictional search; (c) performance of a search for an employee's presence on the Domestic Terror Watch List; and (d) performance of a search for an employee's presence on any Registered Sex Offender List. Given the foregoing, CLIENT AGREES THAT CLIENT SHALL NOT BE PERMITTED TO CONDUCT BACKGROUND CHECKS ON ANY CAYLENT RESOURCES WITHOUT CAYLENT'S PRIOR WRITTEN CONSENT IN EACH INSTANCE.

3.2 Caylent Resources. Caylent resources will be assigned to perform Services as set out in the applicable SOW ("Resource(s)"). In the event a Resource must be reassigned or replaced, Caylent will make reasonable efforts to provide Client at least two weeks' advance notice of any such changes. Caylent will ensure an incoming replacement Resource of materially equivalent skill and expertise is onboarded with full access prior to assuming duties on SOW at no additional cost to Client. In the event that Client would like to request the replacement of a Resource, Client shall notify Caylent in writing. Promptly after receipt of such notice, Caylent shall review the request and determine if a replacement Resource is warranted, or if an alternative solution can be put in place. If a replacement Resource is warranted, Caylent will assign a replacement Resource of materially equivalent skill and expertise to the engagement as soon as possible. In the event a Resource requests to be removed from Client's project due to work-environment issues, the Parties will attempt to resolve through senior leadership collaboration or resource replacement. Caylent reserves the right to terminate the applicable SOW upon thirty (30) days' notice to Client in the event that such issues cannot be resolved.

3.3 Compensation. Caylent is responsible for all Caylent Resources and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments, and disability benefits.

4. SERVICES & DELIVERABLES.

4.1 Acceptance. To the extent a SOW outlines any Services and/or Deliverables, Client's approval or rejection of the Deliverables will be as follows:

(a) Caylent will review stories and acceptance criteria with Client during an initial sprint planning meeting. Upon the conclusion of each weekly sprint, Caylent will review the completed stories with Client stakeholders. If the stories meet the agreed upon acceptance criteria (as defined at the commencement of the sprint), they shall be marked complete. If they do not meet the agreed upon acceptance criteria, they will be marked incomplete and worked on during a subsequent sprint. All Services are deemed accepted two (2) business days after the completion of the sprint in which the Services were performed unless Client specifically comments on the Services prior to such date. No Services shall be deemed accepted while any communicated material defects remain open.

(a) Documentation related Deliverables will be provided to Client two (2) business day in advance of the weekly sprint review meeting. If the Deliverable is deemed "not accepted" during the sprint review, Client has two (2) business days to provide its feedback. Once the feedback has been provided, Caylent will edit the documentation as required and the Parties will review again during a subsequent sprint review. Continuous revisions to documentation or additions of detail may necessitate a Change Order, as agreed between the Parties. Documentation is not deemed accepted while any communicated material deficiencies remain open.

4.2 Services will be performed on weekdays, averaging eight (8) hour days, generally between the hours of 8:00 a.m. and 6:00 p.m. GMT-5 (Eastern time). Caylent will make reasonable efforts to align assigned Resources with Client's standard business hours and accommodate planned exceptions for out-of-business-hours deployments.

4.3 All Services performed under this SOW will be provided remotely or at such other locations as may be agreed upon by both Parties.

4.4 Caylent staff will use Caylent-provided hardware and equipment and will access Client systems remotely over the internet or through a Client-provided VPN. Any software required to be installed on Caylent computers will not interfere with, inspect, or report on any network traffic or activity related to Caylent internal use and/or other clients.

4.5 Caylent agrees to employ diligent planning and make best efforts to provide advance notice and clear deadlines for Client dependencies and meetings, make reasonable accommodations for Client schedules, and prepare alternative work for Caylent staff in order to stay on schedule.

5. TERM & TERMINATION.

5.1 Term. This Agreement shall be effective as of the Effective Date and shall expire one year from the Effective Date, unless otherwise properly terminated in accordance with Section 5.2 (the "Term").

5.2 Termination (of MSA). This Agreement or any SOW terminates when terminated (for convenience) by either Party upon at least sixty (60) days prior written notice. No new SOWs shall be entered into in the event a Party has given notice of termination of this Agreement. Further, either Party may terminate this Agreement (or any active SOW) if: (a) the other Party has committed a material breach and does not cure that breach within thirty (30) days after receiving written notice of breach; (b) the other Party is unable to pay its debts as they become due (including Client's failure to pay Caylent's invoices after receipt of written notice from Caylent; (c) the other Party makes a general assignment to its creditors, is the subject of a receivership, bankruptcy or insolvency proceeding, or otherwise ceases to do business; or (d) both Parties agree to terminate this Agreement in writing.

5.3 Termination (of SOWs). A SOW may be terminated in accordance with the termination provisions set forth in each SOW.

6. REPRESENTATION & WARRANTIES.

6.1 Caylent Representations and Warranties. Caylent represents and warrants that in connection with its performance under this Agreement: (a) all Services shall be performed in a professional and workmanlike manner; (b) Caylent has sufficient staff and other resources available to it to provide the Services required by this Agreement; (c) Caylent will perform the Services

in compliance with all applicable federal, state and local laws, regulations, and ordinances, be duly licensed and is otherwise authorized to provide the Services, (d) perform and satisfy all obligations that Caylent owes to the employees and subcontractors, and remit all required payroll withholding payments to appropriate taxing authorities with respect to its employees; and (e) Caylent has full authority to enter into this Agreement and to carry out its obligations under this Agreement. CAYLENT MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER FOR ANY THIRD-PARTY HARDWARE, SOFTWARE OR SERVICES LICENSED OR PURCHASED BY CLIENT THROUGH CAYLENT OR OTHERWISE. CAYLENT IS NOT RESPONSIBLE FOR ANY CLAIMS RELATED THERETO AND ANY CLAIMS RELATED TO THIRD-PARTY HARDWARE, SOFTWARE OR SERVICES ARE EXCLUSIVELY BETWEEN CLIENT, AND THE THIRD-PARTY HARDWARE, SOFTWARE OR SERVICE PROVIDER. CAYLENT ALSO DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES RELATING TO THE SUITABILITY OR COMPATIBILITY OF CLIENT'S EXISTING COMPUTER HARDWARE OR SOFTWARE SYSTEMS TO ACCOMPLISH THE PERFORMANCE OBJECTIVES DESIRED BY CLIENT IN ANY WORK PRODUCT. CAYLENT DISCLAIMS WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ABSENCE OF CLAIMS TO OR INTERESTS IN ANY WORK PRODUCT, ABSENCE OF LIENS OR ENCUMBRANCES, FREEDOM FROM RIGHTFUL CLAIMS OF THIRD PERSONS BY WAY OF INFRINGEMENT OR THE LIKE.

6.2 **Client Representations and Warranties**. Client represents and warrants that: (a) it owns or has license rights to the software, systems, data, information, including any Personal Data, that Caylent will have access to in connection with the Services (the "Required Materials"), and has the right to allow Caylent to use the Required Materials in connection with Caylent's performance of the Services; (b) Client shall use reasonable security measures in connection with its use of the Services and Deliverables; (c) Client has full authority to enter into this Agreement and to carry out its obligations under this Agreement; and (d) Client will perform its obligations in compliance with all applicable federal, state, and local laws, regulations, and ordinances.

6.3 **Client Responsibilities.** The Client agrees to cooperate fully with Caylent and to provide in a timely manner all information, decisions, approvals, and access to Client's subject matter experts and other necessary personnel, service providers, resources, systems, and facilities reasonably necessary for the performance of the Services. If Client does not meet the fulfill its responsibilities, such failure will be deemed a Delay ("Delay") and Caylent will contact in writing Client with a Delay Notice to resolve such Delay. If Caylent and Client cannot resolve the Delay within five (5) business days after receipt of Caylent's notice, Caylent and Client will collaborate to reprioritize other tasks (e.g. workstreams, backlog) that can be worked on in spite of the Delay and mutually adjust the schedule for performance accordingly. If Caylent and Client cannot agree on alternative work during the Delay, Caylent has the right to adjust the schedule for performance of the Services and completion of Deliverables. In such cases, Caylent may submit a Change Order to modify the scope of Deliverables as necessary to ensure that performance remains within the authorized contract budget. Specifically, the Client shall:

(a) Ensure necessary stakeholders and subject matter experts are reasonably available for participation in meetings;

(b) Report deficiencies in a manner that is actionable for Caylent to resolve (e.g., problem, steps to reproduce, and expected behavior);

(c) Provide appropriate and timely access to onboarding, remote access, and other privileges necessary to access and use Client's equipment, software, or services;

(d) Provide reasonably required information and documentation related to Client's computer software, source code, configuration, data, reports, and specifications;

(e) Purchase and/or provide licenses for any third party components or services as required;

(f) Engage with any of Client's existing third party service providers and vendors in a timely manner to provision access or resolve issues as necessary for successful completion of engagement

(g) Ensure it has a suitable AWS environment in place for the Services and all Client operating systems, support, utility, and/or agent software affecting the Services will be a currently-supported version and will be standard across environments; and

(h) fulfill all Client responsibilities and respond to all Caylent inquiries, deliverable review requests, test requests, or other engagement checkpoints necessary to maintain efficient progress within two (2) business days.

7. DATA SECURITY & CONFIDENTIALITY.

7.1 Personal Data. Client agrees that unless otherwise expressly set forth in a SOW, Client shall not give Caylent access to any personal information such as payment information, medical records, government identifiers, names/addresses, sexual orientation, or other information considered personal, protected, or sensitive under applicable law (collectively "Personal Data"). To the extent Caylent receives any Personal Data under this Agreement (e.g., business contact information), Caylent agrees to process such information in accordance with the terms of the Data Processing Agreement ("DPA") available at https://caylent.com/dpa. The Parties agree to comply with the terms of the DPA and all applicable laws, rules, and regulations in relation to their obligations regarding such Personal Data.

7.2 Confidential Information. Prior to the commencement date of this Agreement, if the Parties have entered into a separate mutual non-disclosure agreement ("NDA"), then the terms within this Section 7.2 shall supersede the terms within such NDA. Each Party acknowledges that during the Term of this Agreement, it may become exposed to or gain access to confidential information of the other Party which is expressly labeled as "confidential" or which could reasonably inferred to be confidential in nature (collectively "Confidential Information"). Caylent IP shall be considered Caylent's Confidential Information and Client IP shall be considered Client's Confidential Information. Each Party agrees that it has a duty to the other to maintain the secrecy of the other Party's Confidential Information and accordingly agrees not to reveal or disclose any such Confidential Information to a third-party without first obtaining prior written consent from the other Party. Provided however that each Party shall be permitted to disclose Confidential Information to its Affiliates, advisors, subcontractors that have a "need to know" such information in connection with performance or receipt of the Services hereunder, and further provided that such Affiliates, advisors and contracts are bound by obligations of confidentiality at least as stringent as those set forth within this Agreement. Each Party shall implement and maintain appropriate administrative, physical, and technical safeguards designed to protect the confidentiality, security, integrity, availability, and privacy of Confidential Information. Confidential Information shall not include any of the following, for which neither Party shall bear responsibility for disclosure, inadvertent or otherwise: (a) information that at the time of disclosure is generally available to the public; (b) information that after disclosure becomes generally available to the public by publication, or otherwise, through no breach of this Agreement; (c) information that was in the possession of the Party receiving such information (the "Receiving Party") prior to disclosure; (d) information that the Receiving Party receives from a source other than the Party that disclosed such information (the "Disclosing Party"); (e) is disclosed as required by law, or in response to a valid demand/order of the court; (f) disclosed due to any rule, order, referral, or request, including without limitation any rule, order, referral, or request of Client's City Council; or (g) disclosed as part of the Client's customary contract approval process.

8. INTELLECTUAL PROPERTY RIGHTS. Client and Caylent desire to balance Caylent's ability to reuse and incorporate Caylent's intellectual property into the Deliverables with Client's desire to freely utilize such Deliverables. As such, all copyright, trademark, and other intellectual property rights (collectively "IP Rights") will be allocated as set forth below.

8.1 Caylent IP. "Caylent IP" shall be defined as hardware designs, software architecture, source code, documentation, concepts, methods, delivery frameworks, ideas, interfaces, artwork and other intellectual property that: (a) was created by Caylent prior to the commencement date of this Agreement; or (b) is created by Caylent at any time which provides common functionality, does not utilize any of Client's Confidential Information, and does not relate to Client's core business (e.g. generic source code framework). Caylent owns all IP Rights associated with the Caylent IP however grants to Client a royalty-free, worldwide, non-exclusive, perpetual license to use or modify any Caylent IP that Caylent incorporates into any Deliverables.

8.2 **Client IP.** "Client IP" shall be defined as all of Client's pre-existing intellectual property, or intellectual property created by Caylent as part of the Services and/or Deliverables that is not Caylent IP. All intellectual property created by Caylent (which shall not include Caylent IP) shall be considered "work for hire" to the extent permitted by the United States Copyright Act, and if for any reason the Client IP is not deemed to be a work made for hire, then in consideration of Client's payment of fees pursuant to this Agreement, Caylent agrees to assign and does hereby assign to Client all right, title, and interest in and to such Client IP, and agrees to provide all assistance reasonably requested by Client in the establishment, preservation and enforcement of such right, provided that such assistance to be provided at Client's expense.

8.3 **Third Party IP.** "Third Party IP" shall be defined as all intellectual property incorporated into a Deliverable by Caylent that was not created by Caylent or Client, including any open source software and artificial intelligence models. Caylent may utilize and/or incorporate any Third Party IP into Deliverables, provided that (a) Caylent has obtained a sufficient license to allow reproduction, derivative works and unrestricted sub-licensing, and (b) such Third Party IP does not unreasonably encumber the Deliverables (including, without limitation, any requirement to pay any licensing fees or require disclosure or use of Client's source code or Confidential Information). For the avoidance of doubt, (i) a requirement to maintain attribution or copyright statements is not considered an unreasonable encumbrance, (ii) the GNU General Public License is considered an unreasonable encumbrance, and (iii) the GNU Lesser General Public License (LGPL) is only considered an unreasonable encumbrance if the Deliverables incorporate the LGPL items in way that would require the disclosure of the source code of the Deliverables.

8.4 Client acknowledges that Deliverables may contain a mixture of Caylent IP, Client IP, and Third Party IP, combined into a single Deliverable during the performance of Services.

8.5 **Reservation of Rights**. This Agreement contains no grants to either Party under any other intellectual property rights except as provided in this Section 8.

9. **LIMITATION OF LIABILITY.** As a material provision of this Agreement, both Parties agree to act in a manner that will serve to mitigate any losses that may be incurred by the other Party through the timely communication of any issue that may arise during the performance of this Agreement. To the fullest extent permitted by law, Client agrees that in no event shall the aggregate liability of Caylent hereunder (including attorneys' fees awarded), exceed two times (2x) the amount paid or payable to Caylent by Client or AWS pursuant to the SOW giving rise to a claim. REGARDLESS OF CAUSE OF ACTION OR THEORY OF LIABILITY, NEITHER PARTY SHALL HAVE ANY LIABILITY FOR CONSEQUENTIAL, EXEMPLARY, PUNITIVE, INCIDENTAL, SPECIAL OR INDIRECT DAMAGES (INCLUDING LOSS OF PROFIT AND BUSINESS OPPORTUNITIES, LOSS OF GOODWILL) REGARDLESS OF WHETHER THE PARTY HAS BEEN ADVISED OF, OR IS AWARE OF, THE POSSIBILITY OF SUCH DAMAGES. The foregoing limitation shall not apply to intellectual property infringement; breach of confidentiality or data security obligations; gross negligence or willful misconduct; or bodily injury or property damage (the "Higher Cap Claims"). Client agrees that Caylent's aggregate liability for the Higher Cap Claims shall in no event exceed Five Million Dollars ($5,000,000.00). As used in this Section, "Caylent" shall include Caylent, and Caylent's Affiliates, employees, owners, officers, agents, subcontractors, and directors.

10. **INSURANCE.** While Caylent is performing Services for Client, Caylent shall maintain at minimum the types and amounts of insurance identified below and if requested shall name Client as an additional insured (where applicable) and provide evidence to Client of the same. All insurance shall be maintained with insurance companies having an A.M. Best's rating of "A" or better, and Caylent shall notify Client, no less than thirty (30) days in advance, of any cancellation or non-renewal of such insurance.

Type of Coverage	Amount
Workers' Compensation	Statutory limits (as required by law)
Commercial General Liability	$2,000,000 (ea. occurrence) / $4,000,000 (gen.agg)
Professional Liability/Cyber Liability	$3,000,000 (per claim) / $3,000,000 (gen. agg)

11. INDEMNIFICATION.

11.1 Indemnification by Caylent. Caylent agrees to indemnify, defend and hold Client, its Affiliates, employees, owners, officers, agents, subcontractors, and directors harmless from and against all third-party claims and causes of action against Client due to: (a) a negligent act, error, or omission of Caylent in performance of Services under this Agreement; (b) Caylent's breach of this Agreement (to the extent not caused by Client); (C) any claim or allegation that any Deliverables infringe on any copyright, patent, trademark, or trade secret right of a third party. Notwithstanding the foregoing, Caylent shall have no obligation under (c), if the claim is based on: (i) any Client IP not created by Caylent; (ii) Third Party IP, or any materials provided by Client or any other third party; (iii) Client's modification of the Deliverables provided by Caylent; or (iv) Deliverables that are developed by Caylent solely according to Client specifications.

11.2 Indemnification by Client. Client agrees to indemnify, defend and hold Caylent, its Affiliates, employees, owners, officers, agents, subcontractors, and directors harmless from and against all third-party claims and causes of action against Caylent due to: (a) a grossly negligent act, error, or omission of Client in performance of its obligations under this Agreement; (b) Client's breach of this Agreement (to the extent not caused by Caylent); and (c) Client's breach of section 6.2 or 6.3, or the infringement, violation, or misappropriation of any intellectual property rights related to any Client IP not created by Caylent, or any item supplied by Client to Caylent in connection with the Services.

11.3 Indemnification Procedure. Promptly after receipt by an indemnified Party of a notice of any third party claim or the commencement of any action, such indemnified Party must: (a) notify the indemnifying Party in writing of any such claim; and (b) provide the indemnifying Party with reasonable assistance to settle or defend such claim, at the indemnifying Party's own expense. The indemnifying Party shall not be liable for any settlement of any action, claim, or proceeding effected without its prior written consent.

12. NO-HIRING. Client agrees that during the term of any SOW, Client shall not solicit (or hire) any of Caylent's employees without the prior written consent of Caylent. In the event Client knowingly hires an employee in violation of this provision, Client will remit to Caylent liquidated damages equal to twenty-fifty percent (25%) of the annual base compensation payable by Caylent to the employee. Client shall have no liability under this section if Client hires an employee that responds to a public ad or open recruitment notice.

13. RELATIONSHIP OF THE PARTIES. The relationship between the Parties is that of independent contractors and the Parties agree that: (a) Caylent personnel are the responsibility of Caylent and are solely employees or independent contractors of Caylent (or its subcontractor); (b) Client personnel are the responsibility of Client and are solely employees or independent contractors of Client (or its subcontractor); (c) no Caylent personnel are Client's or its Affiliates' agents or employees for federal, state/provincial, or local tax purposes or any other purposes whatsoever; (d) no Client personnel are Caylent's or its Affiliates' agents or employees for federal, state/provincial, or local tax purposes or any other purposes whatsoever; (e) no Caylent personnel are entitled to any compensation from Client or its Affiliates or to any employee benefits of Client or its Affiliates; (f) no Client personnel are entitled to any compensation from Caylent or its Affiliates or to any employee benefits of Caylent or its Affiliates; and (g) each Party will (or, in the case of its subcontractors, will be responsible for causing the applicable subcontractor to) withhold and pay all applicable taxes, benefits and insurance with respect to its personnel. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever. Payments to be made to Caylent shall not be subject to withholding for income tax, social security, or unemployment compensation unless the laws or regulations with respect thereto require such withholdings to be made.

14. RESERVED.

15. GENERAL PROVISIONS.

15.1 **Force Majeure.** Except for Client's payment obligations, in the event that a Party is materially unable to perform any of its obligations hereunder due to circumstances beyond its reasonable control (e.g., severe weather, cyber attacks, pandemic, Acts of God, riots, wars, acts of terrorism, governmental action or other event of force majeure beyond such Party's reasonable control) then such Party shall, upon written notice to the other Party thereof, be relieved from its performance of such obligations to the extent, and for the duration, that such performance is prevented by such events; provided that such Party shall at all times use commercially reasonable efforts to resume such performance.

15.2 **Validity of Provisions.** If any provision of this Agreement is held to be void, illegal, unenforceable, or in conflict with any law, the validity of the remaining portions and/or provisions of this Agreement shall not be affected thereby.

15.3 **Notice.** Any notice required or permitted to be given under this Agreement shall be delivered either electronically or via mail. If sent via mail, such notice is to be sent to the Party at its address set forth in the opening paragraph hereof (via U.S. Mail or overnight courier), and shall be directed to the attention of Caylent Legal Department if to Caylent, and, if to Client, to the address set forth in the opening paragraph to the attention of the Client designated recipient, Mike Cook. Such notice shall be effective immediately upon confirmation of receipt if delivered personally via mail or overnight courier. If delivered electronically, such notice shall be directed to: legal@caylent.com if to Caylent, and to the mike.cook@redondo.org if to Client.

15.4 **Waiver.** Failure or delay on the part of either Party to exercise any right, remedy, power or privilege under this Agreement shall not operate as a waiver of that right or any other right, remedy, power or privilege. A waiver, to be effective, must be in writing and must be signed by the Party making the waiver.

15.5 **Governing Law and Venue.** This Agreement and any Statement of Work hereunder shall be governed by and construed in accordance with the laws of the State of California without regard to its conflict-of-law principles. Any claim, action, or proceeding arising out of or relating to this Agreement or any SOW shall be brought exclusively in the Superior Court of California, County of Los Angeles, and each Party consents to the personal jurisdiction and venue of that court. The Parties expressly agree that binding arbitration or private dispute resolution proceedings are not required or authorized, unless separately approved in a subsequent amendment. Nothing in this Section shall be deemed to waive or limit the City's rights or procedural protections under the California Government Claims Act (Cal. Gov. Code § 810 et seq.) or any other applicable laws.

15.6 **Assignment.** Neither Party shall assign any of the rights granted by this Agreement without the other Party's prior written consent, not to be unreasonably withheld. Notwithstanding the foregoing, Client's consent shall not be required if this Agreement is assigned by Caylent in connection with a merger, acquisition, change of control, or sale of all or substantially all of the assets of Caylent. Caylent may use its Affiliates or subcontractors to perform all or any part of the Services, but Caylent remains responsible for work performed by its Affiliates and subcontractors to the same extent as if Caylent performed the Services itself.

15.7 **Entire Agreement/Authority.** This Agreement, and any attached exhibits, schedules, and SOWs, set forth the entire understanding between the Parties and supersedes any prior representations, statements, proposals, negotiations, discussions, understandings or agreements regarding the same subject matter. No amendment, modification or waiver of any provision of this Agreement or any SOW or Change Order shall be effective unless in writing and signed by authorized representatives of both Parties. Each Party warrants to the other that it has full power and authority to enter into this Agreement and to perform its obligations hereunder, and that the entering into of this Agreement and the performance of its obligations does not violate, and will not be in conflict with, any provision of its articles of incorporation, bylaws, or other governing documents, or any contract or agreement with a third party.

15.8 **Survival.** The terms of Sections 6 through 11, and Sections 14 and 15 of this Agreement shall survive its termination.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Effective Date.

City of Redondo Beach	**Caylent, Inc.**
Authorized Signature:	Authorized Signature:
Name: James A. Light	Name: Lisa Cohrs
Title: Mayor	Title: Chief People Officer & General Counsel
Date:	Date:
Email:	Email: legal@caylent.com

CAYLENT

Statement of Work
Caylent Project

Client Name: City of Redondo Beach
Project Name: Intelligent Document Processing POV
Date: 10/10/2025

This Statement of Work ("SOW") is between Caylent, Inc., a Delaware corporation, with offices at 4521 Campus Drive, #344, Irvine, California, 92612 ("Caylent") and City of Redondo Beach, with principal offices at 415 Diamond St, Redondo Beach, CA 90277("Client"). This SOW is effective when both Caylent and Client have signed it ("Effective Date") and it is governed by the Master Services Agreement effective October 21, 2025 between Client and Caylent (the "Agreement"). Capitalized terms used in this SOW will have the meaning defined in the Agreement unless they are defined differently in this SOW.

Overview & Objectives

Redondo Beach City's IT group (Client) has oversight of all citywide information services related to WAN/LAN, computer hardware, software applications, data communications, the network and telecommunications infrastructure and telecommunications systems. Client is responsible for leading the City in the development and delivery of information technology, including planning, acquisition, implementation, maintenance and training..

Client is currently facing struggles managing and lifecycling decades of physical documents across various departments. Years of knowledge and experience pertaining to these documents is quickly disappearing due to staff turnover. Client makes use of the Laserfische platform for document management (https://www.laserfiche.com/) and is seeking support to automate the processing of decades of documents.

Caylent will deliver a tailored Intelligent Document Processing POV engagement specifically designed to address Client's unique needs, focusing on achieving the following key deliverables:

Overall Considerations

- Client is seeking to reduce time spent on this process by ~60% going from months of work to potentially minutes of processing time
- The primary purpose of this metadata generation is to enable efficient search and discovery (lookup) once the documents are ingested into Laserfische
    - Understanding document origination dates is a key prerequisite of this process
- Client will select non-PII documents for use in the POV
- ~100 sample documents will be processed to test and validate the metadata generation pipeline
    - The average page is ~10
- The POV will support English-language documents and classifications
    - Support for other languages (e.g. Spanish) will be considered as time and native-service support permits
- Client will provide an AWS environment for development purposes
    - The pipeline will be deployed into this account via a Terraform stack
- Caylent will treat knowledge transfer of relevant development practices used in the POV as a key deliverable
- The pipeline will use native services and wherever possible, low or no-code solutions, such as Bedrock Data Automation, to make the pipeline easier for Client's small team to manage

    - Any necessary code or configuration will be documented and reviewed with Client throughout the project and at project close

Metadata Generation Pipeline

- Beginning from S3, this system will extract text and data from uploaded documents in order to generate metadata about the document itself
    - Documents are expected to land in a supported format and the pipeline will pick up these raw files for processing
    - Document format support is limited to those natively supported by Bedrock Data Automation (https://docs.aws.amazon.com/bedrock/latest/userguide/bda-limits.html)
    - The pipeline will produce the following outputs:
        - Where possible, extracted dates from each document (depending on the document type)
            - Client's primary goal is to lifecycle documents and extracting dates from documents directly enables this as lifecycling and retention is based on the date the document was created
        - Generated metadata about the document
            - This includes classification of the document pursuant to Client-provided taxonomies
            - Caylent will work with Client to arrive at a suitable taxonomy for classification with the goal of tagging and labeling documents to make them easier to discover
- For the POV, Amazon A2I will be used to setup a human-in-the-loop review
    - In these initial stages, manual, human review of the outputs will be key to making sure metadata generation is meeting Client's needs
    - Client expects 2-3 reviewers (without SSO login) to manage the review process during this POV
        - Individual users will be created in Amazon A2I to facilitate this without integrating with Client's IDP in this phase
    - Reviewers will be able to view extracted data and generated metadata, make corrections and approve or release documents into the secondary pipeline
- The outputs from this pipeline should follow a schema/structure set by Client to facilitate transport to Laserfische via existing Laserfische APIs
    - Client will handle the forwarding of processed documents and metadata to Laserfische with support from Caylent

Caylent will work collaboratively with Client throughout the engagement, involving their team in execution and decision-making rather than simply delivering a solution at the end. This approach ensures the Client team builds confidence and capability with the solution as we go, empowering them to own and operate it effectively long after Caylent is gone.

Throughout and at the conclusion of the project, Caylent engineers will engage the Client team to transfer knowledge on the operation of the infrastructure and usage of the automation developed for this project.

Scope of Services

Caylent will provide Client with access to a team of professionals that will engage with Client to remediate, evolve, and improve Client's AWS environments.

A. **Deliverables:** Caylent will deliver the following ("Deliverables"):

1. Documented requirements
    a. Target-state solution
    b. Testing Strategy
    c. Classification and tagging taxonomy
2. Design artifacts
    a. Target-state solution design diagram
    b. Target-state workflow diagrams
3. Pipeline(s) Implementation
    a. Target-state solution developed in a DEV-class environment
    b. Metadata Generation Pipeline
        1. Metadata generation prompt engineering and logic
        2. Bedrock Data Automation IDP flow
        3. Amazon A2I Human in the loop review
    c. Technical artifacts
        1. Infrastructure as Code
        2. Application
        3. CI/CD Pipeline
4. Testing
    a. Target-state solution deployed to a Dev-class environment
    b. Engineering support during Client-led UAT
5. All diagrams and documentation developed in support of the engagement
6. All source code, scripts, templates, and other technical artifacts developed during the engagement

B. **Design Considerations:** Caylent and Client agree to the following design considerations:

1. Client has little to no AWS presence or experience and is seeking to prove value first through this POV before investing further in AWS setup or automation. Caylent will consider knowledge transfer of all development efforts a key deliverable for this engagement.
2. There are no compliance frameworks or requirements to consider for this work. Care will be taken to follow general security best practices for development on AWS.
3. While other data may be of interest to Client (depending on the document type), the POV will focus on extracting document dates relevant to document lifecycling such as publication date, archival date, etc.
4. In addition to test cases used in development, UAT and validation will be done by manual review via the Amazon A2I human-in-the-loop UI
5. Design of the Amazon A2I UI will focus on being simple enough to fit within the project timeline and will strictly utilize out-of-the-box HTML components provided by the platform to align with the project's overall low/no-code considerations.
6. The core workflow will utilize AWS Step Functions to enable visual workflow design and managed execution tracking.
7. Infrastructure as Code tooling will be Terraform
8. Python will be used for any scripting.
9. GitHub will be used for source code hosting
10. GitHub Actions will be used for deployment pipelines
11. Application will be written in Python

C. **Client Responsibilities:** Caylent is reliant on Client for:

1. Providing ~100 sample documents in a format supported by Bedrock Data Automation
2. Providing taxonomy and classification rules to inform the pipeline and agent's logic
3. Providing a suitable AWS environment for development purposes
4. Forwarding/sending processed documents and generated metadata to Laserfische with Caylent support.
5. Reporting of deficiencies in a manner that is actionable for Caylent to resolve, i.e. problem, steps to reproduce, and expected behavior
6. Providing appropriate and timely access to the following:
    a. Client's subject matter experts, necessary personnel, facilities, and other resources including access to Client's service providers
    b. Onboarding and remote access and other privileges necessary to access and use Client's equipment, software, or services
    c. Information and documentation related to Client's computer software, source code, configuration, data, reports, and specifications
7. Purchasing and/or providing licenses for any 3rd party components or services as required

D. **Out of Scope:** The following are considered out of scope:

1. Digitization of physical documents (e.g. scanning of documents)
2. Fine tuning of OCR or data extraction models
3. SSO integration or logins with the human-in-the-loop hosted UI provided by Amazon A2I

E. **Conditions & Assumptions:** The following conditions and assumptions form the basis of the level of effort and fees estimated in this SOW and are agreed to by Client:

1. Provided documents will not contain PII/PHI
2. Client will handle the analog-to-digital conversion of physical documents through some process not covered in this statement of work.
3. The Team shall perform all Services on weekdays averaging 8 hour days generally between the hours of 8am - 6pm GMT-5 (Eastern Time).
4. The items in Jira following discovery and planning that are agreed upon by Client's product owners shall constitute the "to-be-built" scope of this SOW.
5. All Services performed under this SOW will be provided remotely or at such other locations as may be agreed upon by both parties.
6. Caylent staff will use Caylent-provided hardware and equipment and will access Client systems remotely over the internet or through a Client-provided VPN. Any software required to be installed on Caylent computers will not interfere with, inspect, or report on any network traffic or activity related to Caylent internal use and/or other clients.
7. Caylent resources may responsibly use AI powered assistants or other internal tools in the performance of the Services only when such tools are configured not to allow Client code or Client IP to be used for model training. A human Caylent resource will review and remain responsible for all code produced.
8. Resources are typically assigned to the Team for at least 6 months or the duration of the engagement, if shorter. Resources may be reassigned, in which case reasonable effort will be made to provide at least 2 weeks of advance notice. Caylent will ensure the incoming resource is onboarded with access and context prior to assuming duties on the Team.

9. Caylent agrees to employ diligent planning and make best efforts to provide advance notice and clear deadlines for Client dependencies and meetings, make reasonable accommodations for Client schedules, and prepare alternative work for Caylent staff in order to stay on schedule.
10. Client agrees to provide Caylent with appropriate and timely access to the following: (i) Client's subject matter experts, necessary personnel, facilities and other resources including access to Client's service providers; (ii) onboarding and remote access and other privileges to access and use Client's equipment, software or services (for example, privileges to user accounts for each Caylent engineer who will be working in Client's cloud environments); (iii) information and documentation related to Client's computer software, source code, configuration, data, reports and specifications; (iv) Client will fulfill all Client Responsibilities and respond to all Caylent inquiries, deliverable review requests, test requests, or other engagement checkpoints necessary to maintain efficient progress within two (2) business days; and (v) Client will ensure necessary stakeholders and subject matter experts are reasonably available for participation in meetings.
    If Client does not meet the requirements in (i)-(v), such failure will be deemed a "Delay" and Caylent will contact Client with a Delay Notice to resolve such Delay.
11. The items in Jira following discovery and planning that are agreed upon by Client's product owners shall constitute the "to-be-built" scope of this SOW.
12. Caylent resources may responsibly use AI powered assistants or other internal tools in the performance of the Services only when such tools are configured not to allow Client code or Client IP to be used for model training. A human Caylent resource will review and remain responsible for all code produced.

Schedule of Fees & Costs

Engagement Fees

Role	Base Weekly Rate (USD)	Allocation	Weeks	Amount (USD)
Project Manager	$7,410	25%	6	$11,115
Lead Solutions Architect	$10,070	100%	6	$60,420
Resource Subtotal				**$71,535**
Initial Term				**6 weeks**

Engagement Total [YES AWS FUNDS]

Item	Total (USD)
Engagement Team, Initial Term	$ 71,535.00
Total	**$ 71,535.00**
AWS Funding (applied after Sign-Off Form, to last weeks of Initial Term)	($71,535.00)
Total After AWS Funding	**$0**

Please refer to the "AWS Funding" section in the Appendix for details regarding AWS Funding conditions, including required spending thresholds, Sign-Off Form requirements, and MAP tagging obligations, which may apply to this engagement.

The Total above is based on Caylent's discovery work to date. While we believe our estimates are accurate, unknown requirements and unforeseen circumstances can increase the effort required to deliver this project. The Total serves to limit the amount authorized under this SOW, but it does not constitute a guarantee that the full Scope of Services can be completed within the Total. A Change Order will be required if the work required to complete the Scope of Services exceeds the Total.

"Initial Term" establishes the estimated timeframe to deliver the scope of work herein at full resource capacity. The elapsed calendar time for this engagement may extend due to Caylent resource availability, while remaining within the authorized budget.

A. Billing Mechanism

Weekly Rates will be prorated based on the start and end date of resources and any PTO, holidays, or sick days taken. Fractional resources may vary their daily effort based on engagement needs.

B. Invoice & Payment Schedule

Caylent will invoice Client monthly in arrears for Services performed during the preceding month, up to the "Total After AWS Funding" amount in the table above. Payment of each invoice shall be due net thirty (30) from the receipt of each invoice.

Caylent will accrue remaining service fees up to authorized "Total" in the table above, and will invoice fees up to the AWS Funding amount to AWS on completion of the Sign-Off Form.

C. Billing Contacts

Client Billing Contact:	Mike Cook mike.cook@redondo.org
Client Billing Address:	415 Diamond St, Redondo Beach, CA 90277

Term and Termination

A. Caylent will schedule a project kickoff call after execution of this SOW. The Initial Term and Services under this SOW will begin on a date that is mutually agreed between the Parties and will end after the Initial Term (the "Service End Date"), unless otherwise terminated as provided in the Agreement or SOW.

B. Termination: During the Initial Term, Client may terminate this SOW for convenience upon at least thirty (30) days prior written notice to Caylent, with such termination being effective on the Service End Date.

C. Team size may be increased or decreased at or above the minimum commitment, and will be priced using the Weekly Rates defined in Team Structure. Changes must be initiated in writing, and will be formalized and countersigned using a Change Order. Resource additions will take effect on Client's preferred start date.

Caylent Contacts

Account Executive:	Taylor Alonso **taylor.alonso@caylent.com**
Billing Contact:	billing@caylent.com

Acceptance

IN WITNESS WHEREOF, Client and Caylent have executed this SOW as of the Effective Date:

City of Redondo Beach	Caylent, Inc.
Authorized Signature:	Authorized Signature:
Name:	Name:
Title:	Title:
Date:	Date:

Appendix

Team Structure

Team sizing is based on weekly teams, which represents a customized resource mix of professionals tailored to Client needs that each engage for 40 hours per week. The Team for this engagement will involve the following Roles at the listed Rates:

Role	Description
Project Manager	The Project Manager will be the day-to-day point of contact with Client and will handle logistics of delivery. They will schedule and lead the daily standups and bi-weekly sprint ceremonies and ensure the engagement is staying on target. The Project Manager is also responsible for tracking availability of delivery team members and Client stakeholders and ensuring there is time for the necessary collaboration.
Lead Solutions Architect	The Lead Solutions Architect is responsible for requirements capture, design, and delivery of the solution in accordance with Client requirements and best practices. They are also responsible for overseeing the successful execution and delivery of the technical solution. Through solution delivery planning, risk management, and mitigation strategies, they lead the Caylent technical team and ensure technical delivery quality and excellence.

The resource mix selected by Client for this engagement is shown in the Schedule of Fees & Costs below. In the event that Client would like to increase the Team size or composition set forth below, Client and Caylent may enter into a Change Order reflecting such change.

AWS Funding

a. AWS has provisionally agreed to provide AWS Funding for this project in the amount set forth above as "AWS Funding." AWS funding is subject to final approval from AWS.

b. As a condition of receiving the AWS Funding, Client is required to sign and return a project closeout form (the "Sign-Off Form") within fifteen (15) days of the date that Caylent presents the Sign-Off Form to Client. If the signed Sign-Off Form is not received by Caylent within the fifteen day period, AWS has the right to deny the AWS Funding. In such event, Client agrees to pay Caylent the AWS Funding amount.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 1/21/2025

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

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

PRODUCER Marsh & McLennan Agency LLC 6160 Golden Hills Drive Minneapolis MN 55416	**CONTACT NAME:** Select Processing Team **PHONE (A/C, No, Ext):** 763-746-8000 **FAX (A/C, No):** **E-MAIL ADDRESS:** SelectProcessing@marshmma.com
INSURED CAYLENTINC Caylent, Inc 4521 Campus Drive, Suite 344 Irvine CA 92612	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** Valley Forge Insurance Company 20508 **INSURER B :** Continental Casualty Company 20443 **INSURER C :** Endurance American Specialty Ins Co 41718 **INSURER D :** Associated Industries Insurance Co, Inc 23140 **INSURER E :** Continental Insurance Company 35289 **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 795387880 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:	Y	Y	7035020065	11/8/2024	11/8/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A	**AUTOMOBILE LIABILITY** [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY	Y	Y	7035020065	11/8/2024	11/8/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 500,000 $ $ $ $
B	X **UMBRELLA LIAB** [X] OCCUR **EXCESS LIAB** [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $	Y	Y	7035020079	11/8/2024	11/8/2025	EACH OCCURRENCE AGGREGATE 	$ 10,000,000 $ 10,000,000 $
E	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		7095260381	1/1/2025	1/1/2026	X PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
C D	Tech E&O/Cyber Tech E&O/Cyber Excess			PRO30048603101 ACL125791600	11/8/2024 11/8/2024	11/8/2025 11/8/2025		5,000,000 5,000,000

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

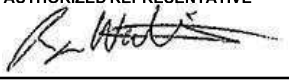
CERTIFICATE HOLDER

For Information Only

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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Administrative Report

H.18., **File #** 25-1466 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: PATRICK BUTLER, FIRE CHIEF

TITLE

APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH CITYGATE ASSOCIATES, LLC TO ANALYZE THE COST TO PROVIDE CONTRACT FIRE AND EMERGENCY SERVICES FOR THE CITY OF HERMOSA BEACH FOR AN AMOUNT NOT TO EXCEED $25,956 AND A TERM EXPIRING ON OCTOBER 20, 2026

EXECUTIVE SUMMARY

On April 30, 2025, the then City Manager of Hermosa Beach provided a letter to Redondo Beach requesting consideration of an initial feasibility study, with shared costs, to explore the provision of contract fire services for the City of Hermosa Beach. Conversations regarding this request have continued with the current Hermosa Beach City Manager, who has stated that Hermosa would like Redondo to move forward with an Agreement to study the concept and that Hermosa Beach is willing to share the cost of the study.

As part of the Fiscal Year 2025-26 Adopted Budget, the City Council approved Decision Package #6, which appropriated $48,000 in one-time funding to complete two feasibility studies related to the potential expansion of services provided by the Fire Department. One to determine the costs and benefits associated with the City providing fire protection and emergency services to the City of Hermosa Beach and the other to evaluate the feasibility of pursuing the rights to provide emergency ambulance transportation services.

Approval of this item would authorize an Agreement with Citygate Associates, LLC (Citygate) to complete the feasibility study for Hermosa Beach for an amount not to exceed $25,956. The Agreement with Citygate in no way commits either Hermosa Beach or Redondo Beach to moving forward with the provision of Fire/EMS services. Hermosa currently receives these services from the Los Angeles County Fire Department (LACFD).

BACKGROUND

The City of Hermosa Beach is currently under contract with the LACFD for fire services. However, Hermosa Beach is evaluating whether to continue that relationship or explore alternative service providers. If they elect to transition away from LACFD, the City of Redondo Beach is one potential provider that could assume the role of contract service provider given the proximity of the service area to existing resources, a similar regulatory environment, and vast operational knowledge gained throughout the long history of mutual aid between the two jurisdictions.

To support this effort, the City seeks to engage Citygate Associates, LLC, a public safety consulting firm with extensive experience in fire service evaluations, to assist in preparing cost models and conducting technical analysis related to fire services provision in Hermosa Beach.

The proposed Agreement is the result of numerous conversations between officials from the City of Redondo Beach and the City of Hermosa Beach. Initially, the study was conceived as a three-way partnership between Citygate and the two cities. After careful consideration, Citygate informed Redondo Beach that it would be unable to complete a study that was administered jointly, as it had the potential to create administrative difficulties and an unclear chain of command. Following this notification, staff approached the City of Hermosa Beach to determine the appropriate lead agency, with Hermosa Beach indicating their team is comfortable with Redondo Beach administering the contract. Despite this contractual designation, the study would remain a cooperative undertaking with both cities contributing equal funding for the Agreement and providing data to Citygate in a timely manner to be analyzed. Funding from the City of Hermosa Beach would be formally committed via a subsequent reimbursement agreement.

The study would assist the City of Redondo Beach in evaluating the feasibility of providing fire services to the City of Hermosa Beach. The proposed work would take place in three phases, including project initiation and data gathering; data review and technical analysis; and reporting, which would include the delivery of study findings. The scope of work in the proposed agreement includes:

- **Cost Modeling**: Developing service cost estimates for Redondo Beach to provide fire services to Hermosa Beach
- **Peer Review**: Reviewing call data and related materials for accuracy and completeness
- **Operational and Fiscal Analysis**: Building technical models to assess service levels, staffing, and fiscal impacts
- **Reporting**: Preparing draft and final findings, including charts, graphs, and recommendations
- **Ongoing Support**: Providing implementation support if the City proceeds with a proposal, subject to available funding

If approved, Fire Department staff is prepared to assist Citygate in gathering data to conduct research and analysis related to providing contract fire services. The study is expected to take six months to complete.

Completion of the study would assist the City in determining the costs and potential operational models to effectively assume the provision of fire and emergency services for the City of Hermosa Beach. The study is for informational purposes only and in no way constitutes a commitment by the City of Redondo Beach to provide, or seek to provide, contract fire services to the City of Hermosa Beach.

COORDINATION

This item was coordinated by the Fire Department, the City Manager's Office, and the City Manager from the City of Hermosa Beach. The City Attorney's Office prepared the Agreement.

FISCAL IMPACT

The City Council appropriated $48,000 in the FY 2025-26 Budget to fund two feasibility studies for the Fire Department. The proposed Agreement with Citygate to study contract fire and emergency

services for the City of Hermosa Beach carries a not to exceed amount of $25,956. The City of Hermosa Beach has committed to splitting the cost of the study with the City, an arrangement that will be formalized through a Reimbursement Agreement that will be presented to the City Council for consideration of approval in November or early December.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Citygate Associates, LLC
- Letter - City of Hermosa Beach Requesting Consideration of an Initial Feasibility Study, April 30, 2025
- Insurance - Citygate Associates, LLC

AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND CITYGATE ASSOCIATES LLC

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City"), and CITYGATE ASSOCIATES LLC, a Limited Liability Company ("Consultant" or "Citygate").

WHEREAS, City is considering offering Hermosa contract fire services should Hermosa decide not to continue contract fire services with Los Angeles County Fire Department for the provision of fire services for its' residents; and

WHEREAS, City desires to retain Consultant to, among other things, assist in preparing the cost of services, peer reviewing proposal documents and other written materials for the potential provision of contract fire services to Hermosa; and

WHEREAS, Consultant has agreed to assist City in the above endeavor; and

WHEREAS, Hermosa has agreed to pay half of the cost of the services of Consultant via a separate reimbursement agreement.

The parties hereby agree as follows:

A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".

B. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

C. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

D. Insurance. Consultant shall adhere to the insurance requirements outlined in Exhibit "D", unless otherwise waived by the City's Risk Manager.

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall

have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent consultant relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.

2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Contractor's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Contractor. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. Unless otherwise provided herein, all changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.

10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this

Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend, protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence, gross negligence or willful

misconduct of the City. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D". Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, and employment laws.

18. Non-Discrimination. Consultant shall comply with all applicable federal, state, and local laws, ordinances, regulations, and codes prohibiting discrimination, including but not limited to the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and the California Fair Employment and Housing Act. Consultant shall not discriminate against any employee or applicant for employment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status, or any other legally protected characteristic. Consultant shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment. Consultant shall include a similar non-discrimination provision in all subcontracts related to the performance of this Agreement.

19. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this

Agreement or the retention of subcontractors by Contractor, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

20. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

21. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.

22. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

23. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

24. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

25. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not

pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

26. Time of Essence. Time is of the essence of this Agreement.

27. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

28. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

29. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

30. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

31. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 810 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

32. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

33. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping.

Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

34. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

35. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

36. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

CITYGATE ASSOCIATES LLC,
a Limited Liability Company

DocuSigned by:
By: Chad Jackson
634ADD480AC74AF...
Name: Chad Jackson
Title: President

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

Scope of Services

- Citygate shall, among other things, assist the City in preparing the cost of services, peer reviewing proposal documents and other written materials for the potential provision of contract fire services to Hermosa.

Citygate's Work Plan shall be conducted over **three (3) tasks** at time and materials rates under the direction of the City as follows. Citygate has budgeted time to obtain and model the service levels and costs of options. If the City has excellent summary data reports related to these topics, Citygate can peer review them and avoid some of the expense of obtaining and modeling raw data.

Task 1: Initiate and Manage the Project

1.1 Request and Review Information

- At the start of the project, Citygate shall submit a request for documentation related to the City of Hermosa Beach's service needs and the City of Redondo Beach's desired provision of services.
- Citygate shall utilize Dropbox (an online file sharing service) to make it convenient for the City staff to provide requested documentation.
- After background documentation review, Citygate shall conduct video conference interviews for follow-up understanding.

1.2 Ongoing Project Management

- Throughout the project's duration, Citygate shall monitor engagement progress and completion of tasks, including providing monthly written status reports and oral communications as needed.

Task 2: Analysis

2.1 Build Operational and Fiscal Review Technical Models

- For this task, Citygate shall assess the provided data and documents and—as needed for a best practices review of the contract for fire services—build review exhibits to review and offer opinions on the City's work.
- As needed, Citygate shall confer with City staff for follow-up information.

Task 3: Reporting

3.1 Deliverables

- Citygate shall perform in-depth analysis and conduct briefings related to Citygate's draft findings and recommendations for City staff. In these sessions, Citygate shall identify any need for further analysis, or Citygate shall proceed with preparing final analysis exhibits.

3.2 Prepare and Submit Draft Findings and Exhibits

The Citygate team shall prepare documents as requested:

- Describing the methods of analysis, our findings, and recommendations.
- Supportive charts, graphs, and diagrams, where appropriate.

Upon completion of the materials, an electronic version in Microsoft Word shall be sent to the City's project representative for comments using the "track changes" and "insert comments" tools.

3.3 Submit Final Findings and Exhibits

- Based on results of the review process, Citygate shall prepare and submit final project materials and exhibits related to Citygate's findings and recommendations.

3.4 Ongoing Support

- If desired, Citygate shall assist the City with implementation.

Study Components with Which the City Must Assist

City staff have the best capability to collect much of the required data that can assist the Citygate study. Therefore, Citygate asks the City staff to assist with:

- Providing data and documents and other information as requested by Citygate, as available.
- Identifying a single point of contact for this project.
- Maintaining staff availability to keep up with the need to schedule meetings.

EXHIBIT "B"

TERM AND TIME OF COMPLETION

Term. The term of this Agreement shall commence on October 21, 2025 and expire on October 20, 2026 ("Term"), unless otherwise terminated as herein provided.

Project Schedule. Citygate expects the project to take six months. The first two to three months will be utilized to conduct research and analysis on the contract fire services issue.

EXHIBIT "C"

COMPENSATION

Provided Citygate is not in default under this Agreement, Citygate shall be compensated as provided below.

I. **Amount**. Total compensation is not-to-exceed $25,956, unless agreed in writing, via agreement, as authorized by all parties. City and Hermosa shall split all payments equally which shall be subject to a separate reimbursement agreement.

Standard Hourly Billing Rates

Classification	Rate	Consultant
Citygate President	$260 per hour	Chad Jackson
Public Safety Principal, Project Director	$260 per hour	Stewart Gary
Senior Fire and EMS Specialist	$205 per hour	Landon Stallings
Local Government and Fiscal Specialist	$205 per hour	Andy Okoro
Local Government Fiscal Specialist	$225 per hour	Andrew Green
Report Project Administrator	$140 per hour	Various
Administrative Support	$100 per hour	Various

Core Project Cost Breakdown

Consulting Fees of Project Team	Administration (7.5% of Hourly Fees)	Reimbursable Expenses	Total Citygate Project Fees
$24,145	$1,811	$0	**$25,956**

II. **Method of Payment**. Citygate shall provide itemized invoices monthly, accompanied by a written Status Report describing work performed during the prior month. Citygate may be required to provide back-up material upon request.

III. **Schedule for Payment**. Citygate shall invoice monthly for time, reimburseable expenses incurred at actual costs, plus a seven-and-a-half percent (7.5%) administration charge in lieu of individual charges for copies, phone, etc. Citygate

invoices are payable within thirty (30) days. Invoices will be transmitted via email delivery to appropriate City contacts listed under 4. Notices. Hard copies of these documents wil be provided upon request.

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

Consultant:
Citygate Associates, LLC
Chad Jackson, President
111 Woodmere Road, Suite 170
Folsom, CA 95630
(916) 458-5100 ext. 101
Email: admin@acitygateassociates.com

Cities:
City of Redondo Beach
City Manager's Office
415 Diamond Street
Redondo Beach, CA 90277
Attention: Luke Smude
Email: luke.smude@redondo.org

City of Hermosa Beach
City Manager's Office
1315 Valley Drive
Hermosa Beach, CA 90254
Attention: TBD
Email: TBD@hermosabeach.gov

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail or the next business day if sent by email. 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.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS/CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, 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 work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies shall contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/15/2025

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

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

PRODUCER
Inszone Insurance Services, LLC
2721 Citrus Road, Suite A
Rancho Cordova, CA 95742

License#: 0F82764

CONTACT NAME: Certificate Team
PHONE (A/C, No, Ext): 877-308-9663 **FAX (A/C, No):** 916-400-2625
E-MAIL ADDRESS: certs@inszoneins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Underwriters Insurance Company	30104
INSURER B : Certain Underwriter's at Lloyd's London	32727
INSURER C : Hartford Casualty Insurance Company	29424
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Citygate Associates, LLC
111 Woodmere Road, Suite 170
Folsom, CA 95630

CITYASS-01

COVERAGES **CERTIFICATE NUMBER:** 2070952083 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A	**AUTOMOBILE LIABILITY** ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			57SBABE5G1W	10/1/2025	10/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 2,000,000 $ $ $ $
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ $10,000	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE AGGREGATE 	$ 4,000,000 $ 4,000,000 $
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	57WECEU6620	10/1/2025	10/1/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B B	Professional Liability Professional Liability			PSN0540252602 PSN0540252602	2/14/2025 2/14/2025	2/14/2026 2/14/2026	Aggregate/Each Claim Deductible	$5,000,000 $10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Additional Insured on the General Liability. Primary and Non-Contributory on the General Liability. Waiver of Subrogation on the General Liability and Workers Compensation. Umbrella follows form, subject to the terms and conditions of the policy.

The aforementioned coverage is provided to the extent in the attached forms for: The City, its officers, elected and appointed officials, employees, and volunteers.

CERTIFICATE HOLDER

City of Redondo Beach
City Manager's Office
415 Diamond Street
Redondo Beach, CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

UMBRELLA LIABILITY SUPPLEMENTAL POLICY
READ YOUR POLICY CAREFULLY

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

In this Supplemental Policy the words "you" and "your" refer to the Named Insured first shown in the Supplemental Policy Declarations and any other person or organization qualifying as a Named Insured under this Supplemental Policy. The words "we", "us" and "our" refer to the insurance company shown in the Supplemental Policy Declarations.

Other words and phrases that appear in quotation marks also have special meanings. Refer to Section **F. DEFINITIONS**.

IN RETURN FOR THE PAYMENT OF THE PREMIUM and in reliance upon the statements in the Supplemental Policy Declarations made a part hereof, and subject to all of the terms of this Supplemental Policy we agree with you as follows:

A. COVERAGES

1. Umbrella Liability Insurance

Insuring Agreement

a. We will pay those sums that the "insured" becomes legally obligated to pay as "damages" in excess of the "underlying insurance" or of the "self-insured retention" when no "underlying insurance" applies, because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies caused by an "occurrence". But, the amount we will pay as "damages" is limited as described in Section **D. LIMITS OF INSURANCE**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Section **B. INVESTIGATION, DEFENSE, SETTLEMENT**.

b. This insurance applies to "bodily injury", "property damage" or "personal and advertising injury" only if:

(1) The "bodily injury" or "property damage" occurs during the "policy period", or the “personal and advertising injury” is caused by an offense committed during the “policy period”; and

(2) Prior to the "policy period", no "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "insured" or authorized "employee" knew, prior to the "policy period", that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the "policy period" will be deemed to have been known prior to the "policy period".

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for "damages" because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

2. Exclusions

This Supplemental Policy does not apply to:

a. Pollution

Any obligation:

(1) To pay for the cost of investigation, defense or settlement of any claim or “suit” against any "insured" alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the “pollution hazard”; or

(2) To pay any "damages", judgments, settlements, loss, costs or expenses that may be awarded or incurred:

(a) By reason of any such claim or “suit” or any such injury or damage; or

(b) In complying with any action authorized by law and relating to such injury or damage.

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EXCEPTION

This exclusion does not apply:

(a) To "bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(b) To injury or damage as to which valid and collectible "underlying insurance" with at least the minimum limits shown in the Extension Schedule Of Underlying Insurance is in force and applicable to the "occurrence". In such event, any coverage afforded by this Supplemental Policy for the "occurrence" will be subject to the pollution exclusions of the "underlying insurance" and to the conditions, limits and other provisions of this Supplemental Policy. But, in the event that such valid and collectable "underlying insurance" is not maintained with limits of liability as set forth in the Extension Schedule Of Underlying Insurance, this Exception **(b)** does not apply.

(c) Exception **(b)** also does not apply to “bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(i) That are, or that are contained in any property that is:

(aa) Being transported or towed by, or handled for movement into, onto or from, any "auto";

(bb) Otherwise in the course of transit by or on behalf of the "insured"; or

(cc) Being stored, disposed of, treated or processed in or upon any "auto";

(ii) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(iii) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

(d) Paragraph **(i)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(i) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(ii) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)**. of the definition of "mobile equipment".

(e) Paragraphs **(c)(ii)** and **(c)(iii)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(i) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(ii) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

b. Workers' Compensation And Similar Laws

Any obligation of the "insured" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

c. Contractual Liability

Liability assumed by the "insured" under any contract or agreement with respect to an "occurrence" taking place before the contract or agreement is executed.

d. Personal And Advertising Injury

"Personal and advertising injury".

(1) EXCEPTION

This exclusion does not apply to the extent that coverage for such "personal and advertising injury" is provided by "underlying insurance", but in no event shall any "personal and advertising injury" coverage

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provided under this Supplemental Policy apply to any claim or "suit" to which "underlying insurance" does not apply. This **EXCEPTION** applies only to the extent that such coverage provided by the "underlying insurance" is maintained having limits as set forth in the Schedule Of Underlying Insurance.

When this **EXCEPTION** applies, the insurance provided under this Supplemental Policy for “personal and advertising injury” will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

This **EXCEPTION** does not apply to:

(a) Aircraft (Unmanned Aircraft)

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this Paragraph **(a)** does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(i) Infringement, in your "advertisement", of:

(aa) Copyright;

(bb) Slogan; or

(cc) Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

(b) Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

e. Underlying Insurance

The amount of any injury or damage:

(1) Covered by "underlying insurance" but for any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its coverage part, policy, or endorsement; or

(2) For which damages would have been payable by "underlying insurance" but for the actual or alleged insolvency or financial impairment of an underlying insurer.

f. Aircraft (Other Than Unmanned Aircraft)

(1) "Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any aircraft (other than "unmanned aircraft"):

(a) Owned by any "insured"; or

(b) Chartered or loaned to any "insured".

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") that is owned or operated by or rented or loaned to any "insured".

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(2) This exclusion does not apply to aircraft (other than "unmanned aircraft") that is:

(a) Hired, chartered or loaned with a paid crew; but

(b) Not owned by any "insured".

(3) This exclusion does not apply to "bodily injury" to any of your "employees" arising out of and in the course of their employment by you.

g. Aircraft (Unmanned Aircraft)

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

h. Watercraft

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, "loading or unloading" of any watercraft.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others, of any watercraft that is owned or operated by or rented or loaned to, any "insured".

This exclusion does not apply to:

(1) Watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

(2) "Bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(3) Any watercraft while ashore on premises owned by, rented to or controlled by you.

i. War

Any injury or damage, however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to property you own.

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Expected Or Intended

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

p. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the "insured" arising out of and in the course of:

(a) Employment by the "insured"; or

(b) Performing duties related to the conduct

of the "insured's" business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the "insured" may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

EXCEPTIONS:

This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

With respect to injury arising out of an "auto" covered under the applicable "underlying insurance," this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this exclusion, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury".

To the extent this exclusion does not apply, the insurance provided under this Supplemental Policy for the employer's liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

q. Property Damage To Employee's Property

With respect to coverage afforded any of your "employees", "property damage" to property owned or occupied by or rented or loaned to:

(1) That "employee";

(2) Any of your other "employees";

(3) Any of your partners or members (if you are a partnership or joint venture); or

(4) Any of your members (if you are a limited liability company).

r. First–Party Auto Or Mobile Equipment Coverages

Any claim arising out of or relating to an "auto" or "mobile equipment" for:

(1) Uninsured or underinsured motorists coverage;

(2) Personal injury protection;

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(3) Auto medical payments coverage;

(4) First-party physical damage coverage; or

(5) Any similar no-fault coverage by whatever name called;

unless this Supplemental Policy is endorsed to provide such coverage.

s. Employment Practices Liability

Any injury or damage to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person, as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above is directed.

(3) This exclusion applies:

(a) Whether the injury-causing event described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above occurs before employment, during employment or after employment of that person;

(b) Whether the "insured" may be liable as an employer or in any other capacity; and

(c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

t. Employee Retirement Income Security Act

Any liability arising out of intentional or unintentional violation of any provision of the Employee Retirement Income Security Act of 1974, Public Law 93-406 (commonly referred to as the Revision Act of 1974), or any amendments to them.

u. Asbestos

Any injury, damages, loss, cost or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" arising out of, or relating to, in whole or in part, the "asbestos hazard" that:

(1) May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard"; or

(2) Arise out of any request, demand, order, or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of any "asbestos hazard"; or

(3) Arise out of any claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

v. Racing And Stunting Activities

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of an "auto" or "mobile equipment" while being used in any:

(1) Prearranged or organized racing, speed or demolition contest;

(2) Stunting activity; or

(3) Preparation for any such contest or activity.

w. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of "bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets,

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processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate “electronic data”.

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to “damages” because of "bodily injury".

x. Limited Underlying Coverage

Any injury, damage, loss, costs or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" for which:

(1) "Underlying insurance" provides coverage; but that

(2) Because of a provision within the "underlying insurance", such coverage is provided at a limit or limits of insurance that are less than the limit(s) for the "underlying insurance" shown on the Extension Schedule Of Underlying Insurance.

y. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state, or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

z. Nuclear Energy Liability Exclusion (Broad Form)

(1) "Bodily injury" or "property damage":

(a) With respect to which an "insured" under this Supplemental Policy is also an "insured" under a Nuclear Energy Liability Policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or

(b) Resulting from the "hazardous properties" of "nuclear material" and with respect to which:

(i) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or

(ii) The "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

(2) "Bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material" if:

(a) The "nuclear material":

(i) Is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured"; or

(ii) Has been discharged or dispersed therefrom;

(b) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or

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(c) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(c)** applies only to "property damage" to such "nuclear facility" and any property thereat.

(3) As used in this exclusion:

"Property damage" includes all forms of radioactive contamination of property.

B. INVESTIGATION, DEFENSE, SETTLEMENT

1. With respect to "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies (whether or not the "self-insured retention" applies) and for which no coverage is provided under any "underlying insurance" or for which the underlying limits of any "underlying insurance" have been exhausted solely by payments of damages because of "occurrences" during the "policy period"; we:

a. Will have the right and the duty to defend any "suit" against the "insured" seeking "damages" on account thereof, even if such "suit" is groundless, false or fraudulent; but our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under coverages afforded by this Supplemental Policy;

b. May make such investigation and settlement of any claim or "suit" as we deem expedient;

c. Will pay:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in any "suit" defended by us. However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the "insured"; and

(3) All interest on the entire amount of any judgment therein which accrues after the entry of the judgment and before we have paid or tendered or deposited in court that part of the judgment which does not exceed the applicable limit of insurance;

(4) All premiums on appeal bonds required in any such "suit", premiums on bonds to release attachments in any such "suit" for an amount not in excess of the applicable limit of insurance, and the cost of bail bonds required of the "insured" because of an "accident" or traffic law violation arising out of the operation of any vehicle to which this Supplemental Policy applies, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, these bonds, whether the collateralization is characterized as premium or not;

(5) All reasonable expenses incurred by the "insured" at our request in assisting us in the investigation or defense of any claim or "suit", including actual loss of earnings not to exceed $500 per day per "insured";

and the amounts incurred in Paragraph c. above, are not subject to the "self-insured retention" and are payable in addition to any applicable limit of insurance.

We may pay any part or all of the "self insured retention" to pay a judgment or to effect settlement of a claim or "suit", and upon notification of the action taken, the "insured" shall promptly reimburse us for such amounts paid.

2. You agree to arrange for the investigation, defense or settlement of any claim or "suit" in any country where we may be prevented by law from carrying out this agreement. We will pay defense expenses incurred with our written consent in connection with any such claim or "suit" in addition to any applicable limit of insurance. We will also promptly reimburse you for our proper share, but subject to the applicable limit of insurance, of any settlement above the "self-insured retention" or "underlying insurance" made with our written consent.

3. We will have the right to associate at our expense with the "insured" or any underlying insurer in the investigation, defense or settlement of any claim or "suit" which in our opinion may require payment hereunder. In no event, however, will we contribute to the cost or expenses incurred by any underlying insurer.

C. WHO IS AN INSURED

1. If you are designated in the Supplemental Policy Declarations as:

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a. An individual, you and your spouse are "insureds", but only with respect to the conduct of a business, other than that described in b. through e. below, of which you are the sole owner.

b. A partnership or joint venture, you are an "insured". Your members, your partners, and their spouses are also "insureds", but only with respect to the conduct of your business.

c. A limited liability company, you are an "insured". Your members are also "insureds", but only with respect to the conduct of your business. Your managers are "insureds", but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an "insured". Your "executive officers" and directors are "insureds", but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

e. A trust, you are an "insured". Your trustees are also "insureds", but only with respect to their duties as trustees.

2. Each of the following is also an "insured":

a. Your "volunteer workers" only while performing duties related to the conduct of your business or your "employees" other than your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts:

(1) Within the scope of their employment by you or while performing duties related to the conduct of your business; and

(2) Only if such "volunteer workers" or "employees" are "insureds" in the "underlying insurance" with limits of liability at least as high as set forth in the Extension Schedule Of Underlying Insurance, subject to all the limitations upon coverage and all other policy terms and conditions of such "underlying insurance" and this Supplemental Policy.

b. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

c. Your legal representative if you die, but only with respect to his or her duties as such. That representative will have all your rights and duties under this insurance.

3. With respect to any "auto", any person or entity that qualifies as an insured under the "underlying insurance" is an "insured" under this Supplemental Policy, subject to all the limitations of such "underlying insurance".

4. With respect to "mobile equipment", any person is an "insured" while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an "insured", but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an "insured" with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an "insured" under this provision.

5. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as an "insured" if there is no other similar insurance available to that organization.

However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the "policy period", whichever is earlier;

b. This insurance does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. This insurance does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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6. Each person or organization, not included as an "insured" in Paragraphs **1.**, **2.**, **3.**, **4.**, or **5.**, who is an insured in the "underlying insurance" is an "insured" under this Supplemental Policy subject to all the terms, conditions and limitations of such "underlying insurance".

With respect to any person or organization who is not an insured under "underlying insurance" but qualifies as an “insured” under this Supplemental Policy, coverage under this Supplemental Policy shall apply only to loss in excess of the amount of the "underlying insurance" or "self-insured retention" applicable to you.

However, coverage afforded by reason of the provisions set forth above applies only to the extent:

a. Of the scope of coverage provided by the applicable "underlying insurance" but in no event shall coverage be broader than the scope of coverage provided by this Supplemental Policy and any endorsements attached hereto; and

b. That such coverage provided by the applicable "underlying insurance" is maintained having limits as set forth in the Extension Schedule Of Underlying Insurance.

7. No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Supplemental Policy Declarations.

D. LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Supplemental Policy Declarations and the rules below fix the most we will pay regardless of the number of:

a. "Insureds";

b. Claims made or "suits" brought;

c. Persons or organizations making claims or bringing "suits"; or

d. Coverages under which "damages" are covered under this Supplemental Policy.

2. The Limit of Insurance stated as the General Aggregate Limit is the most we will pay for the sum of "damages", other than "damages":

a. Because of injury or damage included within the "products-completed operations hazard";

b. Because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you; and

c. Because of "bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any "auto".

3. The Limit of Insurance stated as the Products Completed Operations Aggregate Limit is the most we will pay for "damages" included within the "products-completed operations hazard".

4. The Limit of Insurance stated as the Bodily Injury By Disease Aggregate Limit is the most we will pay for "damages" because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you.

5. Subject to Paragraphs **2.**, **3.**, or **4.** above, whichever applies, the Each Occurrence Limit is the most we will pay for "damages" because of all "bodily injury", "property damage", and "personal and advertising injury" arising out of any one "occurrence".

6. If coverage provided to an additional insured under this Supplemental Policy is required by a written contract, written agreement or permit, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the written contract, written agreement or permit, less any amounts payable by any "underlying insurance"; or

b. Available under the applicable Limits of Insurance shown in the Supplemental Policy Declarations, whichever is less.

Such additional insured coverage provided by this Supplemental Policy will not be broader than coverage provided by the "underlying insurance".

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7. Our obligations under this insurance, except for our obligations under the Cancellation and Nonrenewal Conditions, end when the applicable Limit of Insurance available is used up. If we pay any amounts for "damages" in excess of that Limit of Insurance, you agree to reimburse us for such amounts.

8. The limits of this Supplemental Policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "policy period" shown in the Supplemental Policy Declarations. However, if the "policy period" is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for the purpose of determining the Limits of Insurance.

E. CONDITIONS

1. Premium

All premiums for this Supplemental Policy shall be computed in accordance with the Premium Section of the Supplemental Policy Declarations. The premium stated as such in the Supplemental Policy Declarations is a deposit premium only which shall be credited to the amount of any earned premium. At the end of the "policy period", the earned premium may be recomputed for such period, and upon notice thereof to the Named Insured first shown in the Supplemental Policy Declarations, shall become due and payable by such Named Insured. If the total earned premium for the "policy period" is less than the premium previously paid and more than the minimum premium, we shall return to such Named Insured the unearned portion paid by such Named Insured.

The Named Insured first shown in the Supplemental Policy Declarations shall maintain records of such information as is necessary for premium computation, and shall send copies of such records to us upon our request.

2. Inspection And Audit

We shall be permitted but not obligated to inspect your property and operations at any time. Neither our right to make inspections, nor the making thereof, nor any report thereon, shall constitute an undertaking on your behalf or for your benefit or that of others to determine or warrant that such property or operations are:

a. Safe;

b. Healthful; or

c. In compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the "policy period" and extensions thereof and within three years after the final termination of this Supplemental Policy, insofar as they relate to the subject matter of this Supplemental Policy.

3. Duties In The Event Of Occurrence, Claim Or Suit

a. You, or any other “insured” under this Supplemental Policy must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim under this Supplemental Policy.

(1) This requirement applies only when such "occurrence" is known to any of the following:

(a) You, or any other “insured” under this Supplemental Policy that is an individual;

(b) Any partner, if you or any other “insured” under this Supplemental Policy is a partnership;

(c) Any manager, if you or any other “insured” under this Supplemental Policy is a limited liability company;

(d) Any "executive officer" or insurance manager, if you or any other “insured” under this Supplemental Policy is a corporation.

(e) Any trustee, if you or any other “insured” under this Supplemental Policy is a trust; or

(f) Any elected or appointed official, if you or any other “insured” under this Supplemental Policy is a political subdivision or public entity.

This duty applies separately to you and any other “insured” under this Supplemental Policy.

(2) To the extent possible, notice should include:

(a) How, when and where the "occurrence" took place;

(b) The names and addresses of any injured persons and witnesses; and

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(c) The nature and location of any injury or damage arising out of the "occurrence".

b. If a claim is made or "suit" is brought against any "insured", you or any other “insured” under this Supplemental Policy must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us in writing as soon as practicable if the claim or “suit” is likely to exceed the amount of the "self-insured retention" or "underlying insurance", whichever applies.

c. You or any other "insured" under this Supplemental Policy must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit" involving or likely to involve a sum in excess of any "self-insured retention" or "underlying insurance", whichever applies;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request in the enforcement of any right against any person or organization that may be liable to any "insured" because of injury or damage to which this Supplemental Policy or any "underlying insurance" or "self-insured retention" may also apply.

d. No "insured" will, except at that "insured's" own cost, make or agree to any settlement for a sum in excess of:

(1) The total limits of "underlying insurance"; or

(2) The "self-insured retention" if no "underlying insurance" applies,

without our consent.

e. No "insured" will, except at that "insured's" own cost, make a payment, assume any obligation, or incur any expenses, other than first aid, without our consent.

4. Assistance And Cooperation Of The Insured

The "insured" shall:

a. Cooperate with us and comply with all the terms and conditions of this Supplemental Policy; and

b. Cooperate with any of the underlying insurers as required by the terms and conditions of the "underlying insurance" and comply with all the terms and conditions thereof.

The "insured" shall enforce any right of contribution or indemnity against any person or organization who may be liable to the "insured" because of "bodily injury", "property damage" or "personal and advertising injury" with respect to this Supplemental Policy or any "underlying insurance".

5. Legal Action Against Us

No person or organization has a right under this Supplemental Policy:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or

b. To sue us on this Supplemental Policy unless all of its terms and those of the "underlying insurance" have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured"; but, we will not be liable for damages that are not payable under the terms of this Supplemental Policy or that are in excess of the applicable Limits of Insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured" and the claimant or the claimant's legal representative.

6. Appeals

a. In the event the "insured", or any insurers providing coverage to which this Supplemental Policy is excess, elects to appeal a judgment in excess of such “underlying insurance”, any applicable self-insured retention, and any other valid and collectible insurance, we shall be liable, in addition to the applicable Limit of Insurance, to pay the premium on appeal bonds for that portion of the judgment in excess of the “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of insurance under this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not.

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However, if we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of this Supplemental Policy, then we will have no obligation to pay any premium on an appeal bond, and the “insured” or the “insured’s” underlying insurers or both will bear:

(1) The full cost and duty of obtaining any appeal bond; and

(2) The taxable costs, disbursements and additional interest incidental to such appeal.

If the claim is settled for less than the judgment amount, we shall only be liable for that portion of the settlement that is in excess of any applicable “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of this Supplemental Policy.

b. If the “insured”, or any insurers providing coverage to which this Supplemental Policy is excess, elect not to appeal a judgment in excess of such “underlying insurance”, applicable self-insured retention, and any other valid and collectible insurance, then we shall have the right to pursue such appeal. In that case, if the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of such “underlying insurance”, self- insured retention, and any other valid and collectible insurance, then we shall be liable, in addition to the applicable limit of insurance, for:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in connection with such appeal. However, such costs do not include attorneys’ fees, attorneys’ expenses, witness or expert fees, or any other expenses of a party taxed against the “insured”;

(3) All interest on the entire amount of the judgment which accrues after the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment which is within the limits of the “underlying insurance” self-insured retention, and any other valid and collectible insurance; and

(4) All premiums on appeal bonds for the amount of the judgment that is within the limits of any self-insured retention, “underlying insurance”, and this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not;

7. Other Insurance

This Supplemental Policy shall apply in excess of all "underlying insurance" whether or not valid and collectible. It shall also apply in excess of other valid and collectible insurance (except other insurance purchased specifically to apply in excess of this insurance) which also applies to any loss for which insurance is provided by this Supplemental Policy.

These excess provisions apply, whether such other insurance is stated to be:

a. Primary;

b. Contributing;

c. Excess; or

d. Contingent;

Provided that if such other insurance provides umbrella coverage in excess of "underlying insurance" or a self-insured retention, this Supplemental Policy shall contribute therewith with respect to "damages".

However, in the event that there is such other umbrella coverage available to cover such excess loss on an excess basis, we will pay only our share of the amount of such excess loss payable under this Supplemental Policy.

8. Transfer Of Rights Of Recovery Against Others To Us

a. If the "insured" has rights to recover all or a part of any payment we have made under this Supplemental Policy, those rights are transferred to us. The "insured" must do nothing after a loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

b. Recoveries shall be applied to reimburse:

(1) First, any interest (including the Named Insured) that paid any amount in excess of our limit of liability;

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(2) Second, us, along with any other insurers with whom we participate in a loss on a quota share basis at the same layer;

(3) Third, such interests (including the Named Insured) of whom this insurance is excess.

However, a different apportionment may be made to effect settlement of a claim by agreement signed by all interests.

c. Reasonable expenses incurred in the exercise of rights of recovery shall be apportioned among all interests in the ratio of their respective losses for which recovery is sought.

9. Changes

This Supplemental Policy contains all the agreements between you and us concerning the insurance afforded. Notice to any agent, or knowledge possessed by any agent or any other person shall not effect a waiver or a change in any part of this Supplemental Policy, or stop us from asserting any rights under the terms of this Supplemental Policy.

The Named Insured first shown in the Supplemental Policy Declarations is authorized on behalf of all "insureds" to agree with us on changes in the terms of this Supplemental Policy.

If the terms are changed, the changes will be shown in an endorsement issued by us and made a part of this Supplemental Policy.

10. Separation Of Insureds

Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this Supplemental Policy to the Named Insured first shown in the Supplemental Policy Declarations, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each "insured" against whom claim is made or "suit" is brought.

11. Maintenance Of Underlying Insurance

Policies, endorsements, and coverage parts affording in total the coverage and limits stated in the Extension Schedule Of Underlying Insurance shall be maintained in full effect during the currency of this Supplemental Policy. Your failure to comply with the foregoing shall not invalidate this Supplemental Policy, but in the event of such failure, we shall be liable only to the extent that we would have been liable had you complied with this Paragraph **11.**

The Named Insured first shown in the Supplemental Policy Declarations shall give us written notice as soon as practicable of any of the following:

a. Any change in the coverage or in the limits of any "underlying insurance", including but not limited to a change from occurrence coverage to claims made coverage;

b. Termination of part or all of one or more of the policies, endorsements, or coverage parts of "underlying insurance";

c. Reduction or exhaustion of an aggregate limit of liability of any "underlying insurance".

The "self-insured retention" shall not apply should the "underlying insurance" be exhausted by the payment of claims or "suits" which are also covered by this Supplemental Policy.

12. Cancellation

a. The Named Insured first shown in the Supplemental Policy Declarations may cancel this Supplemental Policy by mailing or delivering to us or to any of our authorized agents advance written notice of cancellation.

b. We may cancel this Supplemental Policy by mailing or delivering to the Named Insured first shown in the Supplemental Policy Declarations at the address shown in the Supplemental Policy Declarations, written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if such Named Insured fails to pay the premium or any installment when due; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

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c. If notice is mailed, proof of mailing will be sufficient proof of notice. Notice will state the effective date of cancellation. The "policy period" will end on that date. Delivery of such notice by the Named Insured first shown in the Supplemental Policy Declarations or by us will be equivalent to mailing.

d. If the Named Insured first shown in the Supplemental Policy Declarations cancels, the refund may be less than pro rata, but we will retain any minimum premium stated as such in the Supplemental Policy Declarations. If we cancel, the refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.

13. Nonrenewal

a. If we decide not to renew, we will mail or deliver to the Named Insured first shown in the Supplemental Policy Declarations, at the address shown in the Supplemental Policy Declarations, written notice of nonrenewal at least 30 days before the end of the "policy period".

b. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. If we offer to renew but such Named Insured does not accept, this Supplemental Policy will not be renewed at the end of the current "policy period".

14. Workers' Compensation Agreement

With respect to "bodily injury" to any officer or other "employee" arising out of and in the course of employment by you, you represent and agree that you have not abrogated and will not abrogate your defenses under any Workers' Compensation Law by rejection of such law or otherwise. If at any time during the "policy period" you abrogate such defenses, the insurance for "bodily injury" to such officer or other "employee" automatically terminates at the same time.

15. Bankruptcy Or Insolvency Of Insured

In the event of the bankruptcy or insolvency of the "insured" or any entity comprising the "insured", we shall not be relieved of any of our obligations under this Supplemental Policy.

16. Representations Or Fraud

By accepting this Supplemental Policy, you agree:

a. The statements in the Supplemental Policy Declarations are accurate and complete;

b. The statements in the Extension Schedule Of Underlying Insurance are accurate and complete;

c. The statements in **a.** and **b.** are based upon representations you made to us;

d. We have issued this Supplemental Policy in reliance upon your representations; and

e. This Supplemental Policy is void in any case of fraud by you as it relates to this Supplemental Policy or any claim under this Supplemental Policy.

F. DEFINITIONS

Except as otherwise provided in this Section or amended by endorsement, the words or phrases that appear in quotation marks within this Supplemental Policy shall follow the definitions of the applicable "underlying insurance".

1. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Covered pollution cost or expense":

a. Means any cost or expense arising out of:

(1) Any request, demand or order; or

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(2) Any claim or "suit" by or on behalf of a governmental authority demanding

that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

b. Does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(1) That are, or that are contained in any property that is:

(a) Being transported or towed by, handled, or handled for movement into, onto or from, any "auto";

(b) Otherwise in the course of transit by or on behalf of the "insured"; or

(c) Being stored, disposed of, treated or processed in or upon any "auto"; or

(2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(3) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

c. Paragraph **(1)(a)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)** of the definition of "mobile equipment".

d. Paragraphs **b.(1)(b)** and **b.(1)(c)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

4. "Damages" means a monetary award, monetary settlement or monetary judgment. "Damages" include prejudgment interest awarded against the "insured" on that part of the judgment we pay.

a. The following are not considered "damages" and are not covered by this Supplemental Policy:

(1) Fines, penalties, sanctions or taxes;

(2) Attorney's fees and costs associated with any non-monetary relief awarded against the "insured"; or

(3) Any monetary award, monetary settlement or monetary judgment for which insurance is prohibited by the law(s) applicable to the construction of this Supplemental Policy.

5. "Hazardous properties" include radioactive, toxic or explosive properties.

6. "Insured" means any person or organization qualifying as an "insured" in the applicable Who Is An Insured provision of this Supplemental Policy, including any additional insured added by endorsement. The insurance afforded applies separately to each "insured" against whom claim is made or "suit" is brought, except with respect to the limit of our liability under Section **D. LIMITS OF INSURANCE**.

7. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

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(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

8. "Nuclear facility" means:

a. Any "nuclear reactor";

b. Any equipment or device designed or used for:

(1) Separating the isotopes of uranium or plutonium;

(2) Processing or utilizing "spent fuel"; or

(3) Handling, processing or packaging "waste";

c. Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or

d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

9. "Nuclear material" means source material, special nuclear material or by-product material.

Source material, special nuclear material and by-product material have the meanings given to them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

10. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

11. "Occurrence" means:

a. With respect to "bodily injury" or "property damage", an "accident", including continuous or repeated exposure to substantially the same general harmful conditions; and

b. With respect to "personal and advertising injury", an offense described in the definition of “personal and advertising injury” in the "underlying insurance".

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12. "Policy period" as used in this Supplemental Policy means the period beginning with the effective date stated as such in the Supplemental Policy Declarations and ending with the earlier of:

a. The date of cancellation of this Supplemental Policy; or

b. The expiration date stated as such in the Supplemental Policy Declarations.

13. “Pollution hazard” means an actual exposure or threat of exposure to the corrosive, toxic or other harmful properties of any solid, liquid, gaseous or thermal:

a. Pollutants;

b. Contaminants;

c. Irritants; or

d. Toxic substances;

including smoke, vapors, soot, fumes, acids, alkalis, chemicals, or waste materials consisting of or containing any of the foregoing. Waste includes materials to be recycled, reconditioned, or reclaimed.

14. "Self-insured retention" means the amount stated as such in the Supplemental Policy Declarations which is retained and payable by the "insured" with respect to each "occurrence".

15. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

16. "Underlying insurance" means the insurance policies, coverage parts, and endorsements listed in the Extension Schedule Of Underlying Insurance, including any renewals or replacements thereof, which provide the underlying coverages and limits stated in the Schedule Of Underlying Insurance.

The limits of "underlying insurance" include:

(1) Any applicable deductible amount;

(2) Any participation of any "insured"; and

(3) Any applicable self-insured retention;

Less the amount, if any, by which the aggregate limit of such insurance has been reduced by any payment relating to any act, error, omission, injury, damage or offense for which insurance is provided by this Supplemental Policy. The coverages and limits of such policies, coverage parts, and endorsements and any such deductible amount, participation or "self-insured retention" shall be deemed to be applicable regardless of:

(1) Any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its policy, coverage part, or endorsement; or

(2) The actual or alleged insolvency or financial impairment of any underlying insurer or any "insured".

The risk of insolvency or financial impairment of any underlying insurer or any "insured" is borne by you and not by us.

17. "Waste" means any waste material:

a. Containing by-product material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content; and

b. Resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

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BUSINESS LIABILITY COVERAGE FORM

READ YOUR POLICY CAREFULLY

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BUSINESS LIABILITY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the insurance company shown in the Declarations.

"Policy period", as used in this Coverage Part**,** means the period from the effective date of this Coverage Part to the expiration date of the Coverage Part as stated in the Declarations or the date of cancellation, whichever is earlier.

The word "insured" means any person or organization qualifying as such under Section **C**. Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F**. Liability And Medical Expenses Definitions.

A. COVERAGES

1. Business Liability Coverage (Bodily Injury, Property Damage, Personal And Advertising Injury) Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **D.** Liability And Medical Expenses Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

b. This insurance applies:

(1) To "bodily injury" and "property damage" only if:

(a) The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”;

(b) The "bodily injury" or "property damage" occurs during the policy period; and

(c) Prior to the policy period, no insured listed under Paragraph **1.** of Section **C.** Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **C.** Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

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(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

(1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:

(a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and

(b) You are not engaged in the business or occupation of providing such services.

(2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. Medical Expenses

Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within three years of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

3. Coverage Extension - Supplementary Payments

a. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

(1) All expenses we incur.

(2) Up to $1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.

(3) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish, finance, arrange for, guarantee, or collateralize these bonds, whether the collateralization is characterized as premium or not.

(4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $500 a day because of time off from work.

(5) All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the insured.

(6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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(7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Any amounts paid under **(1)** through **(7)** above will not reduce the Limits of Insurance.

b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

(1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

(2) This insurance applies to such liability assumed by the insured;

(3) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

(4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;

(5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

(6) The indemnitee:

(a) Agrees in writing to:

(i) Cooperate with us in the investigation, settlement or defense of the "suit";

(ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(iii) Notify any other insurer whose coverage is available to the indemnitee; and

(iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(b) Provides us with written authorization to:

(i) Obtain records and other information related to the "suit"; and

(ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **1.b.(b)** of Section **B.** Exclusions, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

(1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or

(2) The conditions set forth above, or the terms of the agreement described in Paragraph **(6)** above, are no longer met.

B. EXCLUSIONS

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

(1) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property; or

(2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

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b. Contractual Liability

(1) "Bodily injury" or "property damage"; or

(2) "Personal and advertising injury"

for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages because of:

(a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement; or

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol;

(3) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; or

(4) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury" or "property damage" involved that which is described in Paragraph **(1), (2), (3)** or **(4)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving, or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any insured. However, this paragraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this paragraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Exclusion **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Exclusion **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Exclusion **g.(2)** does not apply to:

(a) A watercraft while ashore on premises you own or rent;

(b) A watercraft you do not own that is:

(i) Less than 51 feet long; and

(ii) Not being used to carry persons or property for a charge;

(c) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft (other than "unmanned aircraft") or watercraft;

(e) "Bodily injury" or "property damage" arising out of:

(i) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(ii) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged; or

(f) An aircraft (other than "unmanned aircraft") that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

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i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

(1) Legal, accounting or advertising services;

(2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications;

(3) Supervisory, inspection, architectural or engineering activities;

(4) Medical, surgical, dental, x-ray or nursing services, treatment, advice or instruction;

(5) Any health or therapeutic service treatment, advice or instruction;

(6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

(7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;

(8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products;

(9) Any:

(a) Body piercing (not including ear piercing);

(b) Tattooing, including but not limited to the insertion of pigments into or under the skin; and

(c) Similar services;

(10) Pharmaceutical services including but not limited to:

(a) The administering, prescribing, preparing, distributing or compounding of pharmaceutical drugs, vaccinations, immunizations or any of their component parts;

(b) The providing of or failure to provide home health care or home infusion products or services; and

(c) Advising and consulting customers;

(11) Computer consulting, design or programming services, including web site design.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property damage”, or “personal and advertising injury” arises out of the rendering of or the failure to render any professional service.

Paragraphs **(4)** and **(5)** of this exclusion do not apply to the Incidental Medical Malpractice coverage afforded under Paragraph **1.e.** in Section **A.** Coverages.

k. Damage To Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

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(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **D.** Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to the use of elevators.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

n. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

o. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

(1) Arising out of oral, written, electronic, or any other manner of publication of material, if done by or at the direction of the insured with knowledge of its falsity;

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(2) Arising out of oral, written, electronic, or any other manner of publication of material whose first publication took place before the beginning of the policy period;

(3) Arising out of a criminal act committed by or at the direction of the insured;

(4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement";

(5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";

(6) Arising out of the wrong description of the price of goods, products or services;

(7) Arising out of:

(a) Any actual or alleged infringement or violation of any intellectual property rights, such as copyright, patent, right of publicity, trademark, trade dress, trade name, trade secret, service mark or other designation of origin or authenticity; or

(b) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made against you, or by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

(i) Infringement, in your "advertisement", of:

a. Copyright;

b. Slogan; unless the slogan is also a trademark, trade dress, trade name, service mark or other designation of origin or authenticity; or

c. Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

Paragraph **(7)(b)ii** above shall not apply to claims or "suits" alleging infringement or violation of trademark, trade dress, trade name, service mark or other designation of origin or authenticity.

(8) Arising out of an offense committed by an insured whose business is:

(a) Advertising, broadcasting, publishing or telecasting;

(b) Designing or determining content of web sites for others; or

(c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a., b.** and **c.** under the definition of "personal and advertising injury" in Section **F.** Liability And Medical Expenses Definitions.

For the purposes of this exclusion, the placing of frames, borders, or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

(9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;

(10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers;

(11) Arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act;

(12) Arising out of:

(a) Advertising content for others on your web site;

(b) Placing a link to a web site of others on your web site;

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(c) Content from a web site of others displayed within a frame or border on your web site. Content includes information, code, sounds, text, graphics or images; or

(d) Computer code, software or programming used to enable:

(i) Your web site; or

(ii) The presentation or functionality of an "advertisement" or other content on your web site;

(13) Arising out of a violation of any anti-trust law;

(14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities;

(15) Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information; or

(16) Arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this exclusion does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(a) Infringement, in your "advertisement", of:

(i) Copyright;

(ii) Slogan; or

(iii) Title of any literary or artistic work; or

(b) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

q. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of “bodily injury” or “property damage” arising out of any access to or disclosure of any person’s or organization’s confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraphs **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of “bodily injury”.

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

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(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)**, or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

s. Asbestos

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or “suit” alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or “suit” for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

t. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning Or Explosion

Exclusions **c.** through **h.** and **k.** through **o.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

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c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business, other than that described in **b.** through **e.** below, of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

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(a) Owned, occupied or used by:

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

(1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator Of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons or property for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

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a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.

b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

a. The limits of insurance required in a written contract, written agreement or permit; or

b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this Policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this Policy and the endorsements is the single highest limit of liability of all

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coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph **3.** above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured under this Coverage Part must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured under this Coverage Part must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You or any additional insured under this Coverage Part must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or “suit”;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured under this Coverage Part, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with such additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured under this Coverage Part only when such "occurrence", offense, claim or "suit" is known to:

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(1) You or any additional insured under this Coverage Part that is an individual;

(2) Any partner, if you or an additional insured under this Coverage Part is a partnership;

(3) Any manager, if you or an additional insured under this Coverage Part is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or an additional insured under this Coverage Part is a corporation;

(5) Any trustee, if you or an additional insured under this Coverage Part is a trust; or

(6) Any elected or appointed official, if you or an additional insured under this Coverage Part is a political subdivision or public entity.

This Paragraph **f.** applies separately to you and any additional insured under this Coverage Part.

3. Legal action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom a claim is made or "suit" is brought.

5. Representations

a. When You Accept This Policy

By accepting this Policy, you agree:

(1) The statements in the Declarations are accurate and complete;

(2) Those statements are based upon representations you made to us; and

(3) We have issued this Policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

6. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk, Owner Controlled Insurance Program or OCIP, Contractor Controlled Insurance Program or CCIP, Wrap Up Insurance or similar coverage for "your work";

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(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **B.** Exclusions.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **B.** Exclusions.

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

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If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

7. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purpose of attracting customers or supporters is considered an advertisement.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means:

a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

a. Injury;

b. Sickness; or

c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above;

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in **a.** above;

(2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or

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(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication.

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.

7. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of “electronic data”, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

b. A sidetrack agreement;

c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;

d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement; or

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

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(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(1)** above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a., b., c.,** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

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a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral, written, electronic, or any other manner of publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral, written, electronic, or any other manner of publication of material that violates a person's right of privacy;

f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard";

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

20. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.

As used in this definition, "electronic data" is not tangible property.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Unmanned aircraft" means an aircraft that is not:

a. Designed;

b. Manufactured; or

c. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

24. "Volunteer worker" means a person who:

a. Is not your "employee";

b. Donates his or her work;

c. Acts at the direction of and within the scope of duties determined by you; and

d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

25. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

26. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED BY CONTRACT

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

Except as otherwise stated in this endorsement, the terms and conditions of the Policy apply.

A. The following is added to Section **C. WHO IS AN INSURED**:

Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a**. through **f**. below are additional insureds when you have agreed, in a written contract or written agreement, or when required by a written permit issued by a state or governmental agency or subdivision or political subdivision that such person or organization be added as an additional insured on your Coverage Part, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by any other endorsement issued by us and made a part of this Coverage Part.

The insurance afforded to such additional insured will not be broader than that which you are required by the contract, agreement, or permit to provide for such additional insured.

The insurance afforded to such additional insured only applies to the extent permitted by law.

The limits of insurance that apply to additional insureds are described in Section **D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE**. How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS**.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

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(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Paragraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

(1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or

(b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

(1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In connection with your premises;

(b) In the performance of your ongoing operations performed by you or on your behalf; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services, including:

(i) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(ii) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property

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damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service.

e. State Or Governmental Agency Or Subdivision Or Political Subdivision Issuing Permit

(1) Any state or governmental agency or subdivision or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

(b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

(1) Any other person or organization who is not in one of the categories or classes listed above in Paragraphs **a**. through **e**. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In the performance of your ongoing operations performed by you or on your behalf;

(b) In connection with your premises owned by or rented to you; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury", "property damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service described in Paragraphs **f.(2)(a)** or **f**.**(2)(b)** above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 57 WEC EU6620 **Endorsement Number:**
Effective Date: 10/01/25 Effective hour is the same as stated on the Information Page of the policy.
Named Insured and Address: CITYGATE ASSOCIATES, LLC
600 COOLIDGE DR STE 150
FOLSOM CA 95630

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 2 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization	**Job Description**
Any person or organization for whom you are required by written contract or agreement to obtain this waiver of rights from us	

Countersigned by _____
Authorized Representative

CITY OF
HERMOSA BEACH

Via Email

April 30, 2025

Mike Witzansky
City Manager
415 Diamond Street
Redondo Beach, CA 90277

RE: Request for Initial Study on Redondo Beach Fire Department Providing Fire Services to City of Hermosa Beach

Dear City Manager Witzansky:

On behalf of the City of Hermosa Beach, I am writing to formally request that the City of Redondo Beach consider conducting an initial feasibility study regarding the potential provision of fire protection and emergency medical services to the City of Hermosa Beach by the Redondo Beach Fire Department.

As neighboring coastal communities with shared boundaries and similar emergency service needs, we believe there may be significant operational efficiencies and potential cost savings through a collaborative approach to fire services.

The City of Hermosa Beach is prepared to share the costs of conducting this study and can provide all necessary data regarding our current fire protection needs and services provided by the Los Angeles County Fire Department.

Please feel free to contact me at (310)-318-0216 or via email at suja@hermosabeach.gov if you have any questions or would like to discuss this request further.

Sincerely,

Suja Lowenthal, DPPD
City Manager

CC: Patrick Isidoro Butler, Fire Chief and Harbor Master for Redondo Beach

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/15/2025

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

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

PRODUCER
Inszone Insurance Services, LLC
2721 Citrus Road, Suite A
Rancho Cordova, CA 95742

License#: 0F82764

CONTACT NAME: Certificate Team
PHONE (A/C, No, Ext): 877-308-9663 **FAX (A/C, No):** 916-400-2625
E-MAIL ADDRESS: certs@inszoneins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Underwriters Insurance Company	30104
INSURER B : Certain Underwriter's at Lloyd's London	32727
INSURER C : Hartford Casualty Insurance Company	29424
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Citygate Associates, LLC
111 Woodmere Road, Suite 170
Folsom, CA 95630

CITYASS-01

COVERAGES **CERTIFICATE NUMBER:** 2070952083 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A	**AUTOMOBILE LIABILITY** ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			57SBABE5G1W	10/1/2025	10/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 2,000,000 $ $ $ $
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ $10,000	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE AGGREGATE 	$ 4,000,000 $ 4,000,000 $
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	57WECEU6620	10/1/2025	10/1/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B B	Professional Liability Professional Liability			PSN0540252602 PSN0540252602	2/14/2025 2/14/2025	2/14/2026 2/14/2026	Aggregate/Each Claim Deductible	$5,000,000 $10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Additional Insured on the General Liability. Primary and Non-Contributory on the General Liability. Waiver of Subrogation on the General Liability and Workers Compensation. Umbrella follows form, subject to the terms and conditions of the policy.

The aforementioned coverage is provided to the extent in the attached forms for: The City, its officers, elected and appointed officials, employees, and volunteers.

CERTIFICATE HOLDER

City of Redondo Beach
City Manager's Office
415 Diamond Street
Redondo Beach, CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

UMBRELLA LIABILITY SUPPLEMENTAL POLICY
READ YOUR POLICY CAREFULLY

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

In this Supplemental Policy the words "you" and "your" refer to the Named Insured first shown in the Supplemental Policy Declarations and any other person or organization qualifying as a Named Insured under this Supplemental Policy. The words "we", "us" and "our" refer to the insurance company shown in the Supplemental Policy Declarations.

Other words and phrases that appear in quotation marks also have special meanings. Refer to Section **F. DEFINITIONS**.

IN RETURN FOR THE PAYMENT OF THE PREMIUM and in reliance upon the statements in the Supplemental Policy Declarations made a part hereof, and subject to all of the terms of this Supplemental Policy we agree with you as follows:

A. COVERAGES

1. Umbrella Liability Insurance

Insuring Agreement

a. We will pay those sums that the "insured" becomes legally obligated to pay as "damages" in excess of the "underlying insurance" or of the "self-insured retention" when no "underlying insurance" applies, because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies caused by an "occurrence". But, the amount we will pay as "damages" is limited as described in Section **D. LIMITS OF INSURANCE**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Section **B. INVESTIGATION, DEFENSE, SETTLEMENT**.

b. This insurance applies to "bodily injury", "property damage" or "personal and advertising injury" only if:

(1) The "bodily injury" or "property damage" occurs during the "policy period", or the “personal and advertising injury” is caused by an offense committed during the “policy period”; and

(2) Prior to the "policy period", no "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "insured" or authorized "employee" knew, prior to the "policy period", that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the "policy period" will be deemed to have been known prior to the "policy period".

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for "damages" because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

2. Exclusions

This Supplemental Policy does not apply to:

a. Pollution

Any obligation:

(1) To pay for the cost of investigation, defense or settlement of any claim or “suit” against any "insured" alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the “pollution hazard”; or

(2) To pay any "damages", judgments, settlements, loss, costs or expenses that may be awarded or incurred:

(a) By reason of any such claim or “suit” or any such injury or damage; or

(b) In complying with any action authorized by law and relating to such injury or damage.

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EXCEPTION

This exclusion does not apply:

(a) To "bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(b) To injury or damage as to which valid and collectible "underlying insurance" with at least the minimum limits shown in the Extension Schedule Of Underlying Insurance is in force and applicable to the "occurrence". In such event, any coverage afforded by this Supplemental Policy for the "occurrence" will be subject to the pollution exclusions of the "underlying insurance" and to the conditions, limits and other provisions of this Supplemental Policy. But, in the event that such valid and collectable "underlying insurance" is not maintained with limits of liability as set forth in the Extension Schedule Of Underlying Insurance, this Exception **(b)** does not apply.

(c) Exception **(b)** also does not apply to “bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(i) That are, or that are contained in any property that is:

(aa) Being transported or towed by, or handled for movement into, onto or from, any "auto";

(bb) Otherwise in the course of transit by or on behalf of the "insured"; or

(cc) Being stored, disposed of, treated or processed in or upon any "auto";

(ii) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(iii) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

(d) Paragraph **(i)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(i) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(ii) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)**. of the definition of "mobile equipment".

(e) Paragraphs **(c)(ii)** and **(c)(iii)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(i) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(ii) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

b. Workers' Compensation And Similar Laws

Any obligation of the "insured" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

c. Contractual Liability

Liability assumed by the "insured" under any contract or agreement with respect to an "occurrence" taking place before the contract or agreement is executed.

d. Personal And Advertising Injury

"Personal and advertising injury".

(1) EXCEPTION

This exclusion does not apply to the extent that coverage for such "personal and advertising injury" is provided by "underlying insurance", but in no event shall any "personal and advertising injury" coverage

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provided under this Supplemental Policy apply to any claim or "suit" to which "underlying insurance" does not apply. This **EXCEPTION** applies only to the extent that such coverage provided by the "underlying insurance" is maintained having limits as set forth in the Schedule Of Underlying Insurance.

When this **EXCEPTION** applies, the insurance provided under this Supplemental Policy for “personal and advertising injury” will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

This **EXCEPTION** does not apply to:

(a) Aircraft (Unmanned Aircraft)

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this Paragraph **(a)** does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(i) Infringement, in your "advertisement", of:

(aa) Copyright;

(bb) Slogan; or

(cc) Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

(b) Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

e. Underlying Insurance

The amount of any injury or damage:

(1) Covered by "underlying insurance" but for any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its coverage part, policy, or endorsement; or

(2) For which damages would have been payable by "underlying insurance" but for the actual or alleged insolvency or financial impairment of an underlying insurer.

f. Aircraft (Other Than Unmanned Aircraft)

(1) "Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any aircraft (other than "unmanned aircraft"):

(a) Owned by any "insured"; or

(b) Chartered or loaned to any "insured".

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") that is owned or operated by or rented or loaned to any "insured".

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(2) This exclusion does not apply to aircraft (other than "unmanned aircraft") that is:

(a) Hired, chartered or loaned with a paid crew; but

(b) Not owned by any "insured".

(3) This exclusion does not apply to "bodily injury" to any of your "employees" arising out of and in the course of their employment by you.

g. Aircraft (Unmanned Aircraft)

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

h. Watercraft

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, "loading or unloading" of any watercraft.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others, of any watercraft that is owned or operated by or rented or loaned to, any "insured".

This exclusion does not apply to:

(1) Watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

(2) "Bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(3) Any watercraft while ashore on premises owned by, rented to or controlled by you.

i. War

Any injury or damage, however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to property you own.

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Expected Or Intended

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

p. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the "insured" arising out of and in the course of:

(a) Employment by the "insured"; or

(b) Performing duties related to the conduct

of the "insured's" business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the "insured" may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

EXCEPTIONS:

This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

With respect to injury arising out of an "auto" covered under the applicable "underlying insurance," this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this exclusion, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury".

To the extent this exclusion does not apply, the insurance provided under this Supplemental Policy for the employer's liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

q. Property Damage To Employee's Property

With respect to coverage afforded any of your "employees", "property damage" to property owned or occupied by or rented or loaned to:

(1) That "employee";

(2) Any of your other "employees";

(3) Any of your partners or members (if you are a partnership or joint venture); or

(4) Any of your members (if you are a limited liability company).

r. First–Party Auto Or Mobile Equipment Coverages

Any claim arising out of or relating to an "auto" or "mobile equipment" for:

(1) Uninsured or underinsured motorists coverage;

(2) Personal injury protection;

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(3) Auto medical payments coverage;

(4) First-party physical damage coverage; or

(5) Any similar no-fault coverage by whatever name called;

unless this Supplemental Policy is endorsed to provide such coverage.

s. Employment Practices Liability

Any injury or damage to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person, as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above is directed.

(3) This exclusion applies:

(a) Whether the injury-causing event described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above occurs before employment, during employment or after employment of that person;

(b) Whether the "insured" may be liable as an employer or in any other capacity; and

(c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

t. Employee Retirement Income Security Act

Any liability arising out of intentional or unintentional violation of any provision of the Employee Retirement Income Security Act of 1974, Public Law 93-406 (commonly referred to as the Revision Act of 1974), or any amendments to them.

u. Asbestos

Any injury, damages, loss, cost or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" arising out of, or relating to, in whole or in part, the "asbestos hazard" that:

(1) May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard"; or

(2) Arise out of any request, demand, order, or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of any "asbestos hazard"; or

(3) Arise out of any claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

v. Racing And Stunting Activities

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of an "auto" or "mobile equipment" while being used in any:

(1) Prearranged or organized racing, speed or demolition contest;

(2) Stunting activity; or

(3) Preparation for any such contest or activity.

w. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of "bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets,

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processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate “electronic data”.

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to “damages” because of "bodily injury".

x. Limited Underlying Coverage

Any injury, damage, loss, costs or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" for which:

(1) "Underlying insurance" provides coverage; but that

(2) Because of a provision within the "underlying insurance", such coverage is provided at a limit or limits of insurance that are less than the limit(s) for the "underlying insurance" shown on the Extension Schedule Of Underlying Insurance.

y. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state, or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

z. Nuclear Energy Liability Exclusion (Broad Form)

(1) "Bodily injury" or "property damage":

(a) With respect to which an "insured" under this Supplemental Policy is also an "insured" under a Nuclear Energy Liability Policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or

(b) Resulting from the "hazardous properties" of "nuclear material" and with respect to which:

(i) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or

(ii) The "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

(2) "Bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material" if:

(a) The "nuclear material":

(i) Is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured"; or

(ii) Has been discharged or dispersed therefrom;

(b) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or

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(c) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(c)** applies only to "property damage" to such "nuclear facility" and any property thereat.

(3) As used in this exclusion:

"Property damage" includes all forms of radioactive contamination of property.

B. INVESTIGATION, DEFENSE, SETTLEMENT

1. With respect to "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies (whether or not the "self-insured retention" applies) and for which no coverage is provided under any "underlying insurance" or for which the underlying limits of any "underlying insurance" have been exhausted solely by payments of damages because of "occurrences" during the "policy period"; we:

a. Will have the right and the duty to defend any "suit" against the "insured" seeking "damages" on account thereof, even if such "suit" is groundless, false or fraudulent; but our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under coverages afforded by this Supplemental Policy;

b. May make such investigation and settlement of any claim or "suit" as we deem expedient;

c. Will pay:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in any "suit" defended by us. However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the "insured"; and

(3) All interest on the entire amount of any judgment therein which accrues after the entry of the judgment and before we have paid or tendered or deposited in court that part of the judgment which does not exceed the applicable limit of insurance;

(4) All premiums on appeal bonds required in any such "suit", premiums on bonds to release attachments in any such "suit" for an amount not in excess of the applicable limit of insurance, and the cost of bail bonds required of the "insured" because of an "accident" or traffic law violation arising out of the operation of any vehicle to which this Supplemental Policy applies, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, these bonds, whether the collateralization is characterized as premium or not;

(5) All reasonable expenses incurred by the "insured" at our request in assisting us in the investigation or defense of any claim or "suit", including actual loss of earnings not to exceed $500 per day per "insured";

and the amounts incurred in Paragraph c. above, are not subject to the "self-insured retention" and are payable in addition to any applicable limit of insurance.

We may pay any part or all of the "self insured retention" to pay a judgment or to effect settlement of a claim or "suit", and upon notification of the action taken, the "insured" shall promptly reimburse us for such amounts paid.

2. You agree to arrange for the investigation, defense or settlement of any claim or "suit" in any country where we may be prevented by law from carrying out this agreement. We will pay defense expenses incurred with our written consent in connection with any such claim or "suit" in addition to any applicable limit of insurance. We will also promptly reimburse you for our proper share, but subject to the applicable limit of insurance, of any settlement above the "self-insured retention" or "underlying insurance" made with our written consent.

3. We will have the right to associate at our expense with the "insured" or any underlying insurer in the investigation, defense or settlement of any claim or "suit" which in our opinion may require payment hereunder. In no event, however, will we contribute to the cost or expenses incurred by any underlying insurer.

C. WHO IS AN INSURED

1. If you are designated in the Supplemental Policy Declarations as:

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a. An individual, you and your spouse are "insureds", but only with respect to the conduct of a business, other than that described in b. through e. below, of which you are the sole owner.

b. A partnership or joint venture, you are an "insured". Your members, your partners, and their spouses are also "insureds", but only with respect to the conduct of your business.

c. A limited liability company, you are an "insured". Your members are also "insureds", but only with respect to the conduct of your business. Your managers are "insureds", but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an "insured". Your "executive officers" and directors are "insureds", but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

e. A trust, you are an "insured". Your trustees are also "insureds", but only with respect to their duties as trustees.

2. Each of the following is also an "insured":

a. Your "volunteer workers" only while performing duties related to the conduct of your business or your "employees" other than your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts:

(1) Within the scope of their employment by you or while performing duties related to the conduct of your business; and

(2) Only if such "volunteer workers" or "employees" are "insureds" in the "underlying insurance" with limits of liability at least as high as set forth in the Extension Schedule Of Underlying Insurance, subject to all the limitations upon coverage and all other policy terms and conditions of such "underlying insurance" and this Supplemental Policy.

b. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

c. Your legal representative if you die, but only with respect to his or her duties as such. That representative will have all your rights and duties under this insurance.

3. With respect to any "auto", any person or entity that qualifies as an insured under the "underlying insurance" is an "insured" under this Supplemental Policy, subject to all the limitations of such "underlying insurance".

4. With respect to "mobile equipment", any person is an "insured" while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an "insured", but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an "insured" with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an "insured" under this provision.

5. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as an "insured" if there is no other similar insurance available to that organization.

However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the "policy period", whichever is earlier;

b. This insurance does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. This insurance does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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6. Each person or organization, not included as an "insured" in Paragraphs **1.**, **2.**, **3.**, **4.**, or **5.**, who is an insured in the "underlying insurance" is an "insured" under this Supplemental Policy subject to all the terms, conditions and limitations of such "underlying insurance".

With respect to any person or organization who is not an insured under "underlying insurance" but qualifies as an “insured” under this Supplemental Policy, coverage under this Supplemental Policy shall apply only to loss in excess of the amount of the "underlying insurance" or "self-insured retention" applicable to you.

However, coverage afforded by reason of the provisions set forth above applies only to the extent:

a. Of the scope of coverage provided by the applicable "underlying insurance" but in no event shall coverage be broader than the scope of coverage provided by this Supplemental Policy and any endorsements attached hereto; and

b. That such coverage provided by the applicable "underlying insurance" is maintained having limits as set forth in the Extension Schedule Of Underlying Insurance.

7. No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Supplemental Policy Declarations.

D. LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Supplemental Policy Declarations and the rules below fix the most we will pay regardless of the number of:

a. "Insureds";

b. Claims made or "suits" brought;

c. Persons or organizations making claims or bringing "suits"; or

d. Coverages under which "damages" are covered under this Supplemental Policy.

2. The Limit of Insurance stated as the General Aggregate Limit is the most we will pay for the sum of "damages", other than "damages":

a. Because of injury or damage included within the "products-completed operations hazard";

b. Because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you; and

c. Because of "bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any "auto".

3. The Limit of Insurance stated as the Products Completed Operations Aggregate Limit is the most we will pay for "damages" included within the "products-completed operations hazard".

4. The Limit of Insurance stated as the Bodily Injury By Disease Aggregate Limit is the most we will pay for "damages" because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you.

5. Subject to Paragraphs **2.**, **3.**, or **4.** above, whichever applies, the Each Occurrence Limit is the most we will pay for "damages" because of all "bodily injury", "property damage", and "personal and advertising injury" arising out of any one "occurrence".

6. If coverage provided to an additional insured under this Supplemental Policy is required by a written contract, written agreement or permit, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the written contract, written agreement or permit, less any amounts payable by any "underlying insurance"; or

b. Available under the applicable Limits of Insurance shown in the Supplemental Policy Declarations, whichever is less.

Such additional insured coverage provided by this Supplemental Policy will not be broader than coverage provided by the "underlying insurance".

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7. Our obligations under this insurance, except for our obligations under the Cancellation and Nonrenewal Conditions, end when the applicable Limit of Insurance available is used up. If we pay any amounts for "damages" in excess of that Limit of Insurance, you agree to reimburse us for such amounts.

8. The limits of this Supplemental Policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "policy period" shown in the Supplemental Policy Declarations. However, if the "policy period" is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for the purpose of determining the Limits of Insurance.

E. CONDITIONS

1. Premium

All premiums for this Supplemental Policy shall be computed in accordance with the Premium Section of the Supplemental Policy Declarations. The premium stated as such in the Supplemental Policy Declarations is a deposit premium only which shall be credited to the amount of any earned premium. At the end of the "policy period", the earned premium may be recomputed for such period, and upon notice thereof to the Named Insured first shown in the Supplemental Policy Declarations, shall become due and payable by such Named Insured. If the total earned premium for the "policy period" is less than the premium previously paid and more than the minimum premium, we shall return to such Named Insured the unearned portion paid by such Named Insured.

The Named Insured first shown in the Supplemental Policy Declarations shall maintain records of such information as is necessary for premium computation, and shall send copies of such records to us upon our request.

2. Inspection And Audit

We shall be permitted but not obligated to inspect your property and operations at any time. Neither our right to make inspections, nor the making thereof, nor any report thereon, shall constitute an undertaking on your behalf or for your benefit or that of others to determine or warrant that such property or operations are:

a. Safe;

b. Healthful; or

c. In compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the "policy period" and extensions thereof and within three years after the final termination of this Supplemental Policy, insofar as they relate to the subject matter of this Supplemental Policy.

3. Duties In The Event Of Occurrence, Claim Or Suit

a. You, or any other “insured” under this Supplemental Policy must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim under this Supplemental Policy.

(1) This requirement applies only when such "occurrence" is known to any of the following:

(a) You, or any other “insured” under this Supplemental Policy that is an individual;

(b) Any partner, if you or any other “insured” under this Supplemental Policy is a partnership;

(c) Any manager, if you or any other “insured” under this Supplemental Policy is a limited liability company;

(d) Any "executive officer" or insurance manager, if you or any other “insured” under this Supplemental Policy is a corporation.

(e) Any trustee, if you or any other “insured” under this Supplemental Policy is a trust; or

(f) Any elected or appointed official, if you or any other “insured” under this Supplemental Policy is a political subdivision or public entity.

This duty applies separately to you and any other “insured” under this Supplemental Policy.

(2) To the extent possible, notice should include:

(a) How, when and where the "occurrence" took place;

(b) The names and addresses of any injured persons and witnesses; and

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(c) The nature and location of any injury or damage arising out of the "occurrence".

b. If a claim is made or "suit" is brought against any "insured", you or any other “insured” under this Supplemental Policy must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us in writing as soon as practicable if the claim or “suit” is likely to exceed the amount of the "self-insured retention" or "underlying insurance", whichever applies.

c. You or any other "insured" under this Supplemental Policy must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit" involving or likely to involve a sum in excess of any "self-insured retention" or "underlying insurance", whichever applies;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request in the enforcement of any right against any person or organization that may be liable to any "insured" because of injury or damage to which this Supplemental Policy or any "underlying insurance" or "self-insured retention" may also apply.

d. No "insured" will, except at that "insured's" own cost, make or agree to any settlement for a sum in excess of:

(1) The total limits of "underlying insurance"; or

(2) The "self-insured retention" if no "underlying insurance" applies,

without our consent.

e. No "insured" will, except at that "insured's" own cost, make a payment, assume any obligation, or incur any expenses, other than first aid, without our consent.

4. Assistance And Cooperation Of The Insured

The "insured" shall:

a. Cooperate with us and comply with all the terms and conditions of this Supplemental Policy; and

b. Cooperate with any of the underlying insurers as required by the terms and conditions of the "underlying insurance" and comply with all the terms and conditions thereof.

The "insured" shall enforce any right of contribution or indemnity against any person or organization who may be liable to the "insured" because of "bodily injury", "property damage" or "personal and advertising injury" with respect to this Supplemental Policy or any "underlying insurance".

5. Legal Action Against Us

No person or organization has a right under this Supplemental Policy:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or

b. To sue us on this Supplemental Policy unless all of its terms and those of the "underlying insurance" have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured"; but, we will not be liable for damages that are not payable under the terms of this Supplemental Policy or that are in excess of the applicable Limits of Insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured" and the claimant or the claimant's legal representative.

6. Appeals

a. In the event the "insured", or any insurers providing coverage to which this Supplemental Policy is excess, elects to appeal a judgment in excess of such “underlying insurance”, any applicable self-insured retention, and any other valid and collectible insurance, we shall be liable, in addition to the applicable Limit of Insurance, to pay the premium on appeal bonds for that portion of the judgment in excess of the “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of insurance under this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not.

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However, if we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of this Supplemental Policy, then we will have no obligation to pay any premium on an appeal bond, and the “insured” or the “insured’s” underlying insurers or both will bear:

(1) The full cost and duty of obtaining any appeal bond; and

(2) The taxable costs, disbursements and additional interest incidental to such appeal.

If the claim is settled for less than the judgment amount, we shall only be liable for that portion of the settlement that is in excess of any applicable “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of this Supplemental Policy.

b. If the “insured”, or any insurers providing coverage to which this Supplemental Policy is excess, elect not to appeal a judgment in excess of such “underlying insurance”, applicable self-insured retention, and any other valid and collectible insurance, then we shall have the right to pursue such appeal. In that case, if the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of such “underlying insurance”, self- insured retention, and any other valid and collectible insurance, then we shall be liable, in addition to the applicable limit of insurance, for:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in connection with such appeal. However, such costs do not include attorneys’ fees, attorneys’ expenses, witness or expert fees, or any other expenses of a party taxed against the “insured”;

(3) All interest on the entire amount of the judgment which accrues after the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment which is within the limits of the “underlying insurance” self-insured retention, and any other valid and collectible insurance; and

(4) All premiums on appeal bonds for the amount of the judgment that is within the limits of any self-insured retention, “underlying insurance”, and this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not;

7. Other Insurance

This Supplemental Policy shall apply in excess of all "underlying insurance" whether or not valid and collectible. It shall also apply in excess of other valid and collectible insurance (except other insurance purchased specifically to apply in excess of this insurance) which also applies to any loss for which insurance is provided by this Supplemental Policy.

These excess provisions apply, whether such other insurance is stated to be:

a. Primary;

b. Contributing;

c. Excess; or

d. Contingent;

Provided that if such other insurance provides umbrella coverage in excess of "underlying insurance" or a self-insured retention, this Supplemental Policy shall contribute therewith with respect to "damages".

However, in the event that there is such other umbrella coverage available to cover such excess loss on an excess basis, we will pay only our share of the amount of such excess loss payable under this Supplemental Policy.

8. Transfer Of Rights Of Recovery Against Others To Us

a. If the "insured" has rights to recover all or a part of any payment we have made under this Supplemental Policy, those rights are transferred to us. The "insured" must do nothing after a loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

b. Recoveries shall be applied to reimburse:

(1) First, any interest (including the Named Insured) that paid any amount in excess of our limit of liability;

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(2) Second, us, along with any other insurers with whom we participate in a loss on a quota share basis at the same layer;

(3) Third, such interests (including the Named Insured) of whom this insurance is excess.

However, a different apportionment may be made to effect settlement of a claim by agreement signed by all interests.

c. Reasonable expenses incurred in the exercise of rights of recovery shall be apportioned among all interests in the ratio of their respective losses for which recovery is sought.

9. Changes

This Supplemental Policy contains all the agreements between you and us concerning the insurance afforded. Notice to any agent, or knowledge possessed by any agent or any other person shall not effect a waiver or a change in any part of this Supplemental Policy, or stop us from asserting any rights under the terms of this Supplemental Policy.

The Named Insured first shown in the Supplemental Policy Declarations is authorized on behalf of all "insureds" to agree with us on changes in the terms of this Supplemental Policy.

If the terms are changed, the changes will be shown in an endorsement issued by us and made a part of this Supplemental Policy.

10. Separation Of Insureds

Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this Supplemental Policy to the Named Insured first shown in the Supplemental Policy Declarations, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each "insured" against whom claim is made or "suit" is brought.

11. Maintenance Of Underlying Insurance

Policies, endorsements, and coverage parts affording in total the coverage and limits stated in the Extension Schedule Of Underlying Insurance shall be maintained in full effect during the currency of this Supplemental Policy. Your failure to comply with the foregoing shall not invalidate this Supplemental Policy, but in the event of such failure, we shall be liable only to the extent that we would have been liable had you complied with this Paragraph **11.**

The Named Insured first shown in the Supplemental Policy Declarations shall give us written notice as soon as practicable of any of the following:

a. Any change in the coverage or in the limits of any "underlying insurance", including but not limited to a change from occurrence coverage to claims made coverage;

b. Termination of part or all of one or more of the policies, endorsements, or coverage parts of "underlying insurance";

c. Reduction or exhaustion of an aggregate limit of liability of any "underlying insurance".

The "self-insured retention" shall not apply should the "underlying insurance" be exhausted by the payment of claims or "suits" which are also covered by this Supplemental Policy.

12. Cancellation

a. The Named Insured first shown in the Supplemental Policy Declarations may cancel this Supplemental Policy by mailing or delivering to us or to any of our authorized agents advance written notice of cancellation.

b. We may cancel this Supplemental Policy by mailing or delivering to the Named Insured first shown in the Supplemental Policy Declarations at the address shown in the Supplemental Policy Declarations, written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if such Named Insured fails to pay the premium or any installment when due; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

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c. If notice is mailed, proof of mailing will be sufficient proof of notice. Notice will state the effective date of cancellation. The "policy period" will end on that date. Delivery of such notice by the Named Insured first shown in the Supplemental Policy Declarations or by us will be equivalent to mailing.

d. If the Named Insured first shown in the Supplemental Policy Declarations cancels, the refund may be less than pro rata, but we will retain any minimum premium stated as such in the Supplemental Policy Declarations. If we cancel, the refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.

13. Nonrenewal

a. If we decide not to renew, we will mail or deliver to the Named Insured first shown in the Supplemental Policy Declarations, at the address shown in the Supplemental Policy Declarations, written notice of nonrenewal at least 30 days before the end of the "policy period".

b. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. If we offer to renew but such Named Insured does not accept, this Supplemental Policy will not be renewed at the end of the current "policy period".

14. Workers' Compensation Agreement

With respect to "bodily injury" to any officer or other "employee" arising out of and in the course of employment by you, you represent and agree that you have not abrogated and will not abrogate your defenses under any Workers' Compensation Law by rejection of such law or otherwise. If at any time during the "policy period" you abrogate such defenses, the insurance for "bodily injury" to such officer or other "employee" automatically terminates at the same time.

15. Bankruptcy Or Insolvency Of Insured

In the event of the bankruptcy or insolvency of the "insured" or any entity comprising the "insured", we shall not be relieved of any of our obligations under this Supplemental Policy.

16. Representations Or Fraud

By accepting this Supplemental Policy, you agree:

a. The statements in the Supplemental Policy Declarations are accurate and complete;

b. The statements in the Extension Schedule Of Underlying Insurance are accurate and complete;

c. The statements in **a.** and **b.** are based upon representations you made to us;

d. We have issued this Supplemental Policy in reliance upon your representations; and

e. This Supplemental Policy is void in any case of fraud by you as it relates to this Supplemental Policy or any claim under this Supplemental Policy.

F. DEFINITIONS

Except as otherwise provided in this Section or amended by endorsement, the words or phrases that appear in quotation marks within this Supplemental Policy shall follow the definitions of the applicable "underlying insurance".

1. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Covered pollution cost or expense":

a. Means any cost or expense arising out of:

(1) Any request, demand or order; or

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(2) Any claim or "suit" by or on behalf of a governmental authority demanding

that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

b. Does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(1) That are, or that are contained in any property that is:

(a) Being transported or towed by, handled, or handled for movement into, onto or from, any "auto";

(b) Otherwise in the course of transit by or on behalf of the "insured"; or

(c) Being stored, disposed of, treated or processed in or upon any "auto"; or

(2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(3) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

c. Paragraph **(1)(a)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)** of the definition of "mobile equipment".

d. Paragraphs **b.(1)(b)** and **b.(1)(c)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

4. "Damages" means a monetary award, monetary settlement or monetary judgment. "Damages" include prejudgment interest awarded against the "insured" on that part of the judgment we pay.

a. The following are not considered "damages" and are not covered by this Supplemental Policy:

(1) Fines, penalties, sanctions or taxes;

(2) Attorney's fees and costs associated with any non-monetary relief awarded against the "insured"; or

(3) Any monetary award, monetary settlement or monetary judgment for which insurance is prohibited by the law(s) applicable to the construction of this Supplemental Policy.

5. "Hazardous properties" include radioactive, toxic or explosive properties.

6. "Insured" means any person or organization qualifying as an "insured" in the applicable Who Is An Insured provision of this Supplemental Policy, including any additional insured added by endorsement. The insurance afforded applies separately to each "insured" against whom claim is made or "suit" is brought, except with respect to the limit of our liability under Section **D. LIMITS OF INSURANCE**.

7. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

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(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

8. "Nuclear facility" means:

a. Any "nuclear reactor";

b. Any equipment or device designed or used for:

(1) Separating the isotopes of uranium or plutonium;

(2) Processing or utilizing "spent fuel"; or

(3) Handling, processing or packaging "waste";

c. Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or

d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

9. "Nuclear material" means source material, special nuclear material or by-product material.

Source material, special nuclear material and by-product material have the meanings given to them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

10. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

11. "Occurrence" means:

a. With respect to "bodily injury" or "property damage", an "accident", including continuous or repeated exposure to substantially the same general harmful conditions; and

b. With respect to "personal and advertising injury", an offense described in the definition of “personal and advertising injury” in the "underlying insurance".

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12. "Policy period" as used in this Supplemental Policy means the period beginning with the effective date stated as such in the Supplemental Policy Declarations and ending with the earlier of:

a. The date of cancellation of this Supplemental Policy; or

b. The expiration date stated as such in the Supplemental Policy Declarations.

13. “Pollution hazard” means an actual exposure or threat of exposure to the corrosive, toxic or other harmful properties of any solid, liquid, gaseous or thermal:

a. Pollutants;

b. Contaminants;

c. Irritants; or

d. Toxic substances;

including smoke, vapors, soot, fumes, acids, alkalis, chemicals, or waste materials consisting of or containing any of the foregoing. Waste includes materials to be recycled, reconditioned, or reclaimed.

14. "Self-insured retention" means the amount stated as such in the Supplemental Policy Declarations which is retained and payable by the "insured" with respect to each "occurrence".

15. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

16. "Underlying insurance" means the insurance policies, coverage parts, and endorsements listed in the Extension Schedule Of Underlying Insurance, including any renewals or replacements thereof, which provide the underlying coverages and limits stated in the Schedule Of Underlying Insurance.

The limits of "underlying insurance" include:

(1) Any applicable deductible amount;

(2) Any participation of any "insured"; and

(3) Any applicable self-insured retention;

Less the amount, if any, by which the aggregate limit of such insurance has been reduced by any payment relating to any act, error, omission, injury, damage or offense for which insurance is provided by this Supplemental Policy. The coverages and limits of such policies, coverage parts, and endorsements and any such deductible amount, participation or "self-insured retention" shall be deemed to be applicable regardless of:

(1) Any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its policy, coverage part, or endorsement; or

(2) The actual or alleged insolvency or financial impairment of any underlying insurer or any "insured".

The risk of insolvency or financial impairment of any underlying insurer or any "insured" is borne by you and not by us.

17. "Waste" means any waste material:

a. Containing by-product material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content; and

b. Resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

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BUSINESS LIABILITY COVERAGE FORM

READ YOUR POLICY CAREFULLY

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BUSINESS LIABILITY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the insurance company shown in the Declarations.

"Policy period", as used in this Coverage Part**,** means the period from the effective date of this Coverage Part to the expiration date of the Coverage Part as stated in the Declarations or the date of cancellation, whichever is earlier.

The word "insured" means any person or organization qualifying as such under Section **C**. Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F**. Liability And Medical Expenses Definitions.

A. COVERAGES

1. Business Liability Coverage (Bodily Injury, Property Damage, Personal And Advertising Injury) Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **D.** Liability And Medical Expenses Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

b. This insurance applies:

(1) To "bodily injury" and "property damage" only if:

(a) The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”;

(b) The "bodily injury" or "property damage" occurs during the policy period; and

(c) Prior to the policy period, no insured listed under Paragraph **1.** of Section **C.** Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **C.** Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

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(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

(1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:

(a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and

(b) You are not engaged in the business or occupation of providing such services.

(2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. Medical Expenses

Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within three years of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

3. Coverage Extension - Supplementary Payments

a. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

(1) All expenses we incur.

(2) Up to $1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.

(3) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish, finance, arrange for, guarantee, or collateralize these bonds, whether the collateralization is characterized as premium or not.

(4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $500 a day because of time off from work.

(5) All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the insured.

(6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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(7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Any amounts paid under **(1)** through **(7)** above will not reduce the Limits of Insurance.

b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

(1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

(2) This insurance applies to such liability assumed by the insured;

(3) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

(4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;

(5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

(6) The indemnitee:

(a) Agrees in writing to:

(i) Cooperate with us in the investigation, settlement or defense of the "suit";

(ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(iii) Notify any other insurer whose coverage is available to the indemnitee; and

(iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(b) Provides us with written authorization to:

(i) Obtain records and other information related to the "suit"; and

(ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **1.b.(b)** of Section **B.** Exclusions, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

(1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or

(2) The conditions set forth above, or the terms of the agreement described in Paragraph **(6)** above, are no longer met.

B. EXCLUSIONS

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

(1) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property; or

(2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

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b. Contractual Liability

(1) "Bodily injury" or "property damage"; or

(2) "Personal and advertising injury"

for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages because of:

(a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement; or

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol;

(3) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; or

(4) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury" or "property damage" involved that which is described in Paragraph **(1), (2), (3)** or **(4)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving, or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any insured. However, this paragraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this paragraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or “suit” by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Exclusion **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Exclusion **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Exclusion **g.(2)** does not apply to:

(a) A watercraft while ashore on premises you own or rent;

(b) A watercraft you do not own that is:

(i) Less than 51 feet long; and

(ii) Not being used to carry persons or property for a charge;

(c) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft (other than "unmanned aircraft") or watercraft;

(e) "Bodily injury" or "property damage" arising out of:

(i) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(ii) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged; or

(f) An aircraft (other than "unmanned aircraft") that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

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i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

(1) Legal, accounting or advertising services;

(2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications;

(3) Supervisory, inspection, architectural or engineering activities;

(4) Medical, surgical, dental, x-ray or nursing services, treatment, advice or instruction;

(5) Any health or therapeutic service treatment, advice or instruction;

(6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

(7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;

(8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products;

(9) Any:

(a) Body piercing (not including ear piercing);

(b) Tattooing, including but not limited to the insertion of pigments into or under the skin; and

(c) Similar services;

(10) Pharmaceutical services including but not limited to:

(a) The administering, prescribing, preparing, distributing or compounding of pharmaceutical drugs, vaccinations, immunizations or any of their component parts;

(b) The providing of or failure to provide home health care or home infusion products or services; and

(c) Advising and consulting customers;

(11) Computer consulting, design or programming services, including web site design.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property damage”, or “personal and advertising injury” arises out of the rendering of or the failure to render any professional service.

Paragraphs **(4)** and **(5)** of this exclusion do not apply to the Incidental Medical Malpractice coverage afforded under Paragraph **1.e.** in Section **A.** Coverages.

k. Damage To Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

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(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **D.** Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to the use of elevators.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

n. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

o. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

(1) Arising out of oral, written, electronic, or any other manner of publication of material, if done by or at the direction of the insured with knowledge of its falsity;

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(2) Arising out of oral, written, electronic, or any other manner of publication of material whose first publication took place before the beginning of the policy period;

(3) Arising out of a criminal act committed by or at the direction of the insured;

(4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement";

(5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";

(6) Arising out of the wrong description of the price of goods, products or services;

(7) Arising out of:

(a) Any actual or alleged infringement or violation of any intellectual property rights, such as copyright, patent, right of publicity, trademark, trade dress, trade name, trade secret, service mark or other designation of origin or authenticity; or

(b) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made against you, or by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

(i) Infringement, in your "advertisement", of:

a. Copyright;

b. Slogan; unless the slogan is also a trademark, trade dress, trade name, service mark or other designation of origin or authenticity; or

c. Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

Paragraph **(7)(b)ii** above shall not apply to claims or "suits" alleging infringement or violation of trademark, trade dress, trade name, service mark or other designation of origin or authenticity.

(8) Arising out of an offense committed by an insured whose business is:

(a) Advertising, broadcasting, publishing or telecasting;

(b) Designing or determining content of web sites for others; or

(c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a., b.** and **c.** under the definition of "personal and advertising injury" in Section **F.** Liability And Medical Expenses Definitions.

For the purposes of this exclusion, the placing of frames, borders, or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

(9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;

(10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers;

(11) Arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act;

(12) Arising out of:

(a) Advertising content for others on your web site;

(b) Placing a link to a web site of others on your web site;

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(c) Content from a web site of others displayed within a frame or border on your web site. Content includes information, code, sounds, text, graphics or images; or

(d) Computer code, software or programming used to enable:

(i) Your web site; or

(ii) The presentation or functionality of an "advertisement" or other content on your web site;

(13) Arising out of a violation of any anti-trust law;

(14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities;

(15) Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information; or

(16) Arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this exclusion does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(a) Infringement, in your "advertisement", of:

(i) Copyright;

(ii) Slogan; or

(iii) Title of any literary or artistic work; or

(b) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

q. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of “bodily injury” or “property damage” arising out of any access to or disclosure of any person’s or organization’s confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraphs **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of “bodily injury”.

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

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(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)**, or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

s. Asbestos

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or “suit” alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or “suit” for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

t. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning Or Explosion

Exclusions **c.** through **h.** and **k.** through **o.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

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c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business, other than that described in **b.** through **e.** below, of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

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(a) Owned, occupied or used by:

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

(1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator Of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons or property for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

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a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.

b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

a. The limits of insurance required in a written contract, written agreement or permit; or

b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this Policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this Policy and the endorsements is the single highest limit of liability of all

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coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph **3.** above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured under this Coverage Part must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured under this Coverage Part must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You or any additional insured under this Coverage Part must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or “suit”;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured under this Coverage Part, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with such additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured under this Coverage Part only when such "occurrence", offense, claim or "suit" is known to:

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(1) You or any additional insured under this Coverage Part that is an individual;

(2) Any partner, if you or an additional insured under this Coverage Part is a partnership;

(3) Any manager, if you or an additional insured under this Coverage Part is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or an additional insured under this Coverage Part is a corporation;

(5) Any trustee, if you or an additional insured under this Coverage Part is a trust; or

(6) Any elected or appointed official, if you or an additional insured under this Coverage Part is a political subdivision or public entity.

This Paragraph **f.** applies separately to you and any additional insured under this Coverage Part.

3. Legal action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom a claim is made or "suit" is brought.

5. Representations

a. When You Accept This Policy

By accepting this Policy, you agree:

(1) The statements in the Declarations are accurate and complete;

(2) Those statements are based upon representations you made to us; and

(3) We have issued this Policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

6. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk, Owner Controlled Insurance Program or OCIP, Contractor Controlled Insurance Program or CCIP, Wrap Up Insurance or similar coverage for "your work";

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(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **B.** Exclusions.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **B.** Exclusions.

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

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If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

7. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purpose of attracting customers or supporters is considered an advertisement.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means:

a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

a. Injury;

b. Sickness; or

c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above;

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in **a.** above;

(2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or

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(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication.

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.

7. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of “electronic data”, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

b. A sidetrack agreement;

c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;

d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement; or

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

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(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(1)** above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a., b., c.,** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

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a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral, written, electronic, or any other manner of publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral, written, electronic, or any other manner of publication of material that violates a person's right of privacy;

f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard";

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

20. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.

As used in this definition, "electronic data" is not tangible property.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Unmanned aircraft" means an aircraft that is not:

a. Designed;

b. Manufactured; or

c. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

24. "Volunteer worker" means a person who:

a. Is not your "employee";

b. Donates his or her work;

c. Acts at the direction of and within the scope of duties determined by you; and

d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

25. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

26. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED BY CONTRACT

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

Except as otherwise stated in this endorsement, the terms and conditions of the Policy apply.

A. The following is added to Section **C. WHO IS AN INSURED**:

Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a**. through **f**. below are additional insureds when you have agreed, in a written contract or written agreement, or when required by a written permit issued by a state or governmental agency or subdivision or political subdivision that such person or organization be added as an additional insured on your Coverage Part, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by any other endorsement issued by us and made a part of this Coverage Part.

The insurance afforded to such additional insured will not be broader than that which you are required by the contract, agreement, or permit to provide for such additional insured.

The insurance afforded to such additional insured only applies to the extent permitted by law.

The limits of insurance that apply to additional insureds are described in Section **D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE**. How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS**.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

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(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Paragraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

(1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or

(b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

(1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In connection with your premises;

(b) In the performance of your ongoing operations performed by you or on your behalf; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services, including:

(i) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(ii) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property

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damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service.

e. State Or Governmental Agency Or Subdivision Or Political Subdivision Issuing Permit

(1) Any state or governmental agency or subdivision or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

(b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

(1) Any other person or organization who is not in one of the categories or classes listed above in Paragraphs **a**. through **e**. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In the performance of your ongoing operations performed by you or on your behalf;

(b) In connection with your premises owned by or rented to you; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury", "property damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service described in Paragraphs **f.(2)(a)** or **f**.**(2)(b)** above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 57 WEC EU6620 **Endorsement Number:**
Effective Date: 10/01/25 Effective hour is the same as stated on the Information Page of the policy.
Named Insured and Address: CITYGATE ASSOCIATES, LLC
600 COOLIDGE DR STE 150
FOLSOM CA 95630

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 2 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization	**Job Description**
Any person or organization for whom you are required by written contract or agreement to obtain this waiver of rights from us	

Countersigned by _____
Authorized Representative

Administrative Report

H.19., **File #** 25-1465 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: PATRICK BUTLER, FIRE CHIEF

TITLE

APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH CITYGATE ASSOCIATES, LLC TO PREPARE A FEASIBILITY STUDY TO ASSESS THE CITY'S ABILITY TO PROVIDE BASIC LIFE SUPPORT AMBULANCE SERVICES IN-HOUSE FOR AN AMOUNT NOT TO EXCEED $19,909 AND A TERM EXPIRING ON OCTOBER 20, 2026

EXECUTIVE SUMMARY

As part of the Fiscal Year 2025-26 Adopted Budget, the City Council approved Decision Package #6 which appropriated $48,000 in one-time funding to complete two feasibility studies related to the potential expansion of services provided by the Fire Department. The studies would be to determine the costs and benefits associated with the City providing fire protection and emergency services for the City of Hermosa Beach and also evaluating the feasibility of pursing the rights to provide emergency ambulance transportation services, a function currently provided by McCormick Ambulance. If approved, this item would authorize an Agreement with Citygate Associates, LLC (Citygate) to complete the feasibility study associated with the provision of Basic Life Support (BLS) ambulance transport services for an amount not to exceed $19,909 and a term expiring October 20, 2026.

BACKGROUND

The Redondo Beach Fire Department responds to more than 5,000 Emergency Medical response calls annually, with over 3,500 of those requiring ambulance transportation. Currently, McCormick Ambulance provides ambulance transportation services for the City as part of an exclusive operating agreement that was granted by the Los Angeles County Emergency Medical Services Agency (County) in 2016. This bidding process occurs every ten years, and the City Council requested information on the process of obtaining ambulance rights as part of Decision Package #20 in the FY 2024-25 Adopted Budget. The Council subsequently dedicated funding to studying the cost and feasibility of providing these services as part of the FY 2025-26 Adopted Budget.

At this time, staff is recommending City Council approve an agreement with Citygate to evaluate the feasibility of providing in-house BLS ambulance services in the City. Citygate has extensive experience in public safety consulting and has proposed a structured work plan to assist the City in evaluating the operational, fiscal, and logistical considerations associated with the City's potential management of ambulance services.

The proposed work would take place in three phases, including: information gathering, an operational

and fiscal review, and reporting, which would consist of a high-level summary of findings, staff briefings, and final exhibit preparation.
The resulting study would provide the City with the following:

- **Cost Analysis**: Estimating the City's cost of managing BLS ambulance services
- **Operational Assessment**: Evaluating the number of ambulances and support facilities required to meet performance standards
- **Revenue Modeling**: Estimating transport revenue to determine financial viability when balanced with the estimated costs of the program.

If approved, Fire Department staff is prepared to assist Citygate in the data gathering for the study, with the Citygate analysis expected to take three months to complete.

Completion of the study would assist the City in determining the most appropriate course of action when the bidding process to obtain the exclusive operating agreement for ambulance services for the City of Redondo Beach with the County is opened in 2026. The study in no way commits the City to pursuing the service rights and is not an indication that the City intends to pursue an agreement with the County at this time.

If approved, the Agreement carries a not-to-exceed amount of $19,909 and a term expiring October 20, 2026.

COORDINATION

Preparation of this item was coordinated with the City Manager's Office. The City Attorney's Office prepared the Agreement.

FISCAL IMPACT

The City Council appropriated $48,000 in the FY 2025-26 Adopted Budget to pay for two fire service feasibility studies. The proposed Agreement with Citygate to complete the BLS Ambulance Services study carries a not to exceed amount of $19,909.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Citygate Associates, LLC
- Budget Response Report #20 - FY 2024-25
- Insurance - Citygate Associates, LLC

AGREEMENT FOR PROJECT SERVICES
BETWEENTHE CITY OF REDONDO BEACH
AND CITYGATE ASSOCIATES, LLC

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and CITYGATE ASSOCIATES, LLC, a Limited Liability Company ("Consultant" or "Citygate").

WHEREAS, City is considering bidding for the ambulance services contract managed by the Local Emergency Medical Services Agency (LEMSA); and

WHEREAS, Consultant has agreed to assist the City with assessing the feasibility of the City bidding for the private Basic Life Support (BLS) ambulance services contract managed by the Los Angeles County Emergency Medical Services Agency—LEMSA; and

WHEREAS, Consultant has agreed to assist the City in this endeavor.

The parties hereby agree as follows:

A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".

B. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".

C. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

D. Insurance. Consultant shall adhere to the insurance requirements outlined in Exhibit "D", unless otherwise waived by the City's Risk Manager.

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent consultant

relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.

2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Contractor's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Contractor. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.

6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. Unless otherwise provided herein, all changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.

10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement prior to Contractor’s receipt of notice of termination, irrespective of

whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend, protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively “Indemnitees”) from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor’s performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence, gross negligence or willful misconduct of the City. Contractor’s obligation to indemnify shall not be restricted

to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D". Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, and employment laws.

18. Non-Discrimination. Consultant shall comply with all applicable federal, state, and local laws, ordinances, regulations, and codes prohibiting discrimination, including but not limited to the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and the California Fair Employment and Housing Act. Consultant shall not discriminate against any employee or applicant for employment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status, or any other legally protected characteristic. Consultant shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment. Consultant shall include a similar non-discrimination provision in all subcontracts related to the performance of this Agreement.

19. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Consultant shall

provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

20. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

21. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.

22. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

23. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.

24. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

25. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to

be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

26. Time of Essence. Time is of the essence of this Agreement.

27. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

28. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

29. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

30. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

31. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 810 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

32. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

33. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping.

Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.

34. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

35. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

36. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

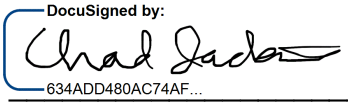
SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

CITYGATE ASSOCIATES LLC,
a Limited Liability Company

DocuSigned by:
By: 
634ADD480AC74AF...
Name: Chad Jackson
Title: President

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

Consultant duties:

Citygate shall assist the City with assessing the feasibility of the City bidding for the private Basic Life Support (BLS) ambulance services contract managed by the Los Angeles County Emergency Medical Services Agency—the Local Emergency Medical Services Agency (LEMSA) ("Second Project").

Scope of Services

- Citygate shall assist the City in understanding its cost of managing a BLS ambulance services contract.
- Citygate shall also assess the performance requirements for the quantity of ambulances needed.
- Citygate shall estimate the transport revenue economics to determine the feasibility of the City providing BLS ambulance services.

Citygate's Work Plan shall be conducted over **three tasks** at time and materials rates under the direction of the City as follows. Citygate has budgeted time to obtain and model the service levels and costs of options. If the City has excellent summary data reports related to these topics, Citygate can peer review them and avoid some of the expense of obtaining and modeling raw data.

Task 1: Initiate and Manage the Project

1.1 Request and Review Information

- At the start of the project, Citygate shall submit a request for documentation related to the City of Redondo Beach's BLS ambulance needs.
- Citygate shall utilize Dropbox (an online file sharing service) to make it convenient for the City staff to provide requested documentation.
- After background documentation review, Citygate shall conduct video conference interviews for follow-up understanding.

1.2 Ongoing Project Management

- Throughout the project's duration, Citygate shall monitor engagement progress and completion of tasks, including providing monthly written status reports and oral communications as needed.

Task 2: Analysis

2.1 Build Operational and Fiscal Review

- For this task, Citygate shall assess the provided data and documents and—as needed for a best practices review of the contract for fire services—build review exhibits to review and offer opinions on the City's work.
- As needed, Citygate shall confer with City staff for follow-up information.
- For the ambulance services review, Citygate shall obtain ambulance workload data and collected revenues to estimate the level of services needed. Citygate shall then assist staff in determining the costs and issues associated with providing ambulance services.

Task 3: Reporting

3.1 Deliverables

- Citygate shall perform a high-level summary analysis and conduct briefings related to our draft findings and recommendations for City staff. In these sessions, Citygate shall identify any need for further analysis, or Citygate shall proceed with preparing final analysis exhibits.

3.2 Submit Final Findings and Exhibits

- Based on results of the review process, Citygate shall prepare and submit final project materials and exhibits related to Citygate's findings and recommendations in a staff-level report, not in a Council-level format.
- Citygate shall not be conducting on-site meetings or making public presentations.

Study Components with Which the City Must Assist

City staff have the best capability to collect much of the required data that can assist the Citygate study. Therefore, Citygate asks the City staff to assist with:

- Providing data and documents and other information as requested by Citygate, as available.
- Identifying a single point of contact for this project.
- Maintaining staff availability to keep up with the need to schedule virtual meetings.

EXHIBIT "B"

TERM AND TIME OF COMPLETION

Term. The term of this Agreement shall commence on October 21, 2025 and expire on October 20, 2026 ("Term"), unless otherwise terminated as herein provided.

Project Schedule. Project duration is expected to take three months.

EXHIBIT "C"

COMPENSATION

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

I. **Amount:** Total compensation is not-to-exceed $19,909 unless agreed in writing, via agreement, as authorized by all parties.

Standard Hourly Billing Rates

Classification	Rate	Consultant
Citygate President	$260 per hour	Chad Jackson
Public Safety Principal, Project Director	$260 per hour	Stewart Gary
Senior Fire and EMS Services Specialist	$195 per hour	Landon Stallings
Local Government and Fiscal Specialist	$205 per hour	Andy Okoro
Report Project Administrator	$140 per hour	Various
Administrative Support	$100 per hour	Various

Core Project Cost Breakdown

Consulting Fees of Project Team	Administration (7.5% of Hourly Fees)	Reimbursable Expenses	Total Citygate Project Fees
$18,520	$1,389	$0	**$19,909**

II. **Method of Payment**. Citygate shall provide itemized invoices monthly, accompanied by a written Status Report describing work performed during the prior month. Citygate may be required to provide back-up material upon request.

III. **Schedule for Payment**. Citygate shall invoice monthly for time, reimburseable expenses incurred at actual costs, plus a seven-and-a-half percent (7.5%) administration charge in lieu of individual charges for copies, phone, etc. Citygate invoices are payable within thirty (30) days. Invoices will be transmitted via email

delivery to appropriate City contacts listed under 4. Notices. Hard copies of these documents wil be provided upon request.

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

Consultant:
Citygate Associates, LLC
Chad Jackson, President
111 Woodmere Road, Suite 170
Folsom, CA 95630
(916) 458-5100 ext. 101
Email: admin@acitygateassociates.com

City:
City of Redondo Beach
City Manager's Office
415 Diamond Street
Redondo Beach, CA 90277
Attention: Luke Smude
Email: luke.smude@redondo.org

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail or the next business day if sent by email. 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.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS/CONSULTANTS

Without limiting Consultant's indemnification obligations under this Agreement, 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 work hereunder by the Consultant, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies shall contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Consultant acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/15/2025

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

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

PRODUCER
Inszone Insurance Services, LLC
2721 Citrus Road, Suite A
Rancho Cordova, CA 95742

License#: 0F82764

CONTACT NAME: Certificate Team
PHONE (A/C, No, Ext): 877-308-9663 **FAX (A/C, No):** 916-400-2625
E-MAIL ADDRESS: certs@inszoneins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Underwriters Insurance Company	30104
INSURER B : Certain Underwriter's at Lloyd's London	32727
INSURER C : Hartford Casualty Insurance Company	29424
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Citygate Associates, LLC
111 Woodmere Road, Suite 170
Folsom, CA 95630

CITYASS-01

COVERAGES **CERTIFICATE NUMBER:** 2070952083 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A	**AUTOMOBILE LIABILITY** ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			57SBABE5G1W	10/1/2025	10/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 2,000,000 $ $ $ $
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ $10,000	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE AGGREGATE 	$ 4,000,000 $ 4,000,000 $
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	57WECEU6620	10/1/2025	10/1/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B B	Professional Liability Professional Liability			PSN0540252602 PSN0540252602	2/14/2025 2/14/2025	2/14/2026 2/14/2026	Aggregate/Each Claim Deductible	$5,000,000 $10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Additional Insured on the General Liability. Primary and Non-Contributory on the General Liability. Waiver of Subrogation on the General Liability and Workers Compensation. Umbrella follows form, subject to the terms and conditions of the policy.

The aforementioned coverage is provided to the extent in the attached forms for: The City, its officers, elected and appointed officials, employees, and volunteers.

CERTIFICATE HOLDER

City of Redondo Beach
City Manager's Office
415 Diamond Street
Redondo Beach, CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

UMBRELLA LIABILITY SUPPLEMENTAL POLICY
READ YOUR POLICY CAREFULLY

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

In this Supplemental Policy the words "you" and "your" refer to the Named Insured first shown in the Supplemental Policy Declarations and any other person or organization qualifying as a Named Insured under this Supplemental Policy. The words "we", "us" and "our" refer to the insurance company shown in the Supplemental Policy Declarations.

Other words and phrases that appear in quotation marks also have special meanings. Refer to Section **F. DEFINITIONS**.

IN RETURN FOR THE PAYMENT OF THE PREMIUM and in reliance upon the statements in the Supplemental Policy Declarations made a part hereof, and subject to all of the terms of this Supplemental Policy we agree with you as follows:

A. COVERAGES

1. Umbrella Liability Insurance

Insuring Agreement

a. We will pay those sums that the "insured" becomes legally obligated to pay as "damages" in excess of the "underlying insurance" or of the "self-insured retention" when no "underlying insurance" applies, because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies caused by an "occurrence". But, the amount we will pay as "damages" is limited as described in Section **D. LIMITS OF INSURANCE**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Section **B. INVESTIGATION, DEFENSE, SETTLEMENT**.

b. This insurance applies to "bodily injury", "property damage" or "personal and advertising injury" only if:

(1) The "bodily injury" or "property damage" occurs during the "policy period", or the “personal and advertising injury” is caused by an offense committed during the “policy period”; and

(2) Prior to the "policy period", no "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "insured" or authorized "employee" knew, prior to the "policy period", that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the "policy period" will be deemed to have been known prior to the "policy period".

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for "damages" because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

2. Exclusions

This Supplemental Policy does not apply to:

a. Pollution

Any obligation:

(1) To pay for the cost of investigation, defense or settlement of any claim or “suit” against any "insured" alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the “pollution hazard”; or

(2) To pay any "damages", judgments, settlements, loss, costs or expenses that may be awarded or incurred:

(a) By reason of any such claim or “suit” or any such injury or damage; or

(b) In complying with any action authorized by law and relating to such injury or damage.

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EXCEPTION

This exclusion does not apply:

(a) To "bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(b) To injury or damage as to which valid and collectible "underlying insurance" with at least the minimum limits shown in the Extension Schedule Of Underlying Insurance is in force and applicable to the "occurrence". In such event, any coverage afforded by this Supplemental Policy for the "occurrence" will be subject to the pollution exclusions of the "underlying insurance" and to the conditions, limits and other provisions of this Supplemental Policy. But, in the event that such valid and collectable "underlying insurance" is not maintained with limits of liability as set forth in the Extension Schedule Of Underlying Insurance, this Exception **(b)** does not apply.

(c) Exception **(b)** also does not apply to “bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(i) That are, or that are contained in any property that is:

(aa) Being transported or towed by, or handled for movement into, onto or from, any "auto";

(bb) Otherwise in the course of transit by or on behalf of the "insured"; or

(cc) Being stored, disposed of, treated or processed in or upon any "auto";

(ii) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(iii) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

(d) Paragraph **(i)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(i) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(ii) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)**. of the definition of "mobile equipment".

(e) Paragraphs **(c)(ii)** and **(c)(iii)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(i) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(ii) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

b. Workers' Compensation And Similar Laws

Any obligation of the "insured" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

c. Contractual Liability

Liability assumed by the "insured" under any contract or agreement with respect to an "occurrence" taking place before the contract or agreement is executed.

d. Personal And Advertising Injury

"Personal and advertising injury".

(1) EXCEPTION

This exclusion does not apply to the extent that coverage for such "personal and advertising injury" is provided by "underlying insurance", but in no event shall any "personal and advertising injury" coverage

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provided under this Supplemental Policy apply to any claim or "suit" to which "underlying insurance" does not apply. This **EXCEPTION** applies only to the extent that such coverage provided by the "underlying insurance" is maintained having limits as set forth in the Schedule Of Underlying Insurance.

When this **EXCEPTION** applies, the insurance provided under this Supplemental Policy for “personal and advertising injury” will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

This **EXCEPTION** does not apply to:

(a) Aircraft (Unmanned Aircraft)

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this Paragraph **(a)** does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(i) Infringement, in your "advertisement", of:

(aa) Copyright;

(bb) Slogan; or

(cc) Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

(b) Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

e. Underlying Insurance

The amount of any injury or damage:

(1) Covered by "underlying insurance" but for any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its coverage part, policy, or endorsement; or

(2) For which damages would have been payable by "underlying insurance" but for the actual or alleged insolvency or financial impairment of an underlying insurer.

f. Aircraft (Other Than Unmanned Aircraft)

(1) "Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any aircraft (other than "unmanned aircraft"):

(a) Owned by any "insured"; or

(b) Chartered or loaned to any "insured".

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") that is owned or operated by or rented or loaned to any "insured".

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(2) This exclusion does not apply to aircraft (other than "unmanned aircraft") that is:

(a) Hired, chartered or loaned with a paid crew; but

(b) Not owned by any "insured".

(3) This exclusion does not apply to "bodily injury" to any of your "employees" arising out of and in the course of their employment by you.

g. Aircraft (Unmanned Aircraft)

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

h. Watercraft

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, "loading or unloading" of any watercraft.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others, of any watercraft that is owned or operated by or rented or loaned to, any "insured".

This exclusion does not apply to:

(1) Watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

(2) "Bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(3) Any watercraft while ashore on premises owned by, rented to or controlled by you.

i. War

Any injury or damage, however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to property you own.

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Expected Or Intended

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

p. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the "insured" arising out of and in the course of:

(a) Employment by the "insured"; or

(b) Performing duties related to the conduct

of the "insured's" business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the "insured" may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

EXCEPTIONS:

This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

With respect to injury arising out of an "auto" covered under the applicable "underlying insurance," this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this exclusion, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury".

To the extent this exclusion does not apply, the insurance provided under this Supplemental Policy for the employer's liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

q. Property Damage To Employee's Property

With respect to coverage afforded any of your "employees", "property damage" to property owned or occupied by or rented or loaned to:

(1) That "employee";

(2) Any of your other "employees";

(3) Any of your partners or members (if you are a partnership or joint venture); or

(4) Any of your members (if you are a limited liability company).

r. First–Party Auto Or Mobile Equipment Coverages

Any claim arising out of or relating to an "auto" or "mobile equipment" for:

(1) Uninsured or underinsured motorists coverage;

(2) Personal injury protection;

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(3) Auto medical payments coverage;

(4) First-party physical damage coverage; or

(5) Any similar no-fault coverage by whatever name called;

unless this Supplemental Policy is endorsed to provide such coverage.

s. Employment Practices Liability

Any injury or damage to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person, as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above is directed.

(3) This exclusion applies:

(a) Whether the injury-causing event described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above occurs before employment, during employment or after employment of that person;

(b) Whether the "insured" may be liable as an employer or in any other capacity; and

(c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

t. Employee Retirement Income Security Act

Any liability arising out of intentional or unintentional violation of any provision of the Employee Retirement Income Security Act of 1974, Public Law 93-406 (commonly referred to as the Revision Act of 1974), or any amendments to them.

u. Asbestos

Any injury, damages, loss, cost or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" arising out of, or relating to, in whole or in part, the "asbestos hazard" that:

(1) May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard"; or

(2) Arise out of any request, demand, order, or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of any "asbestos hazard"; or

(3) Arise out of any claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

v. Racing And Stunting Activities

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of an "auto" or "mobile equipment" while being used in any:

(1) Prearranged or organized racing, speed or demolition contest;

(2) Stunting activity; or

(3) Preparation for any such contest or activity.

w. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of "bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets,

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processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate “electronic data”.

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to “damages” because of "bodily injury".

x. Limited Underlying Coverage

Any injury, damage, loss, costs or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" for which:

(1) "Underlying insurance" provides coverage; but that

(2) Because of a provision within the "underlying insurance", such coverage is provided at a limit or limits of insurance that are less than the limit(s) for the "underlying insurance" shown on the Extension Schedule Of Underlying Insurance.

y. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state, or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

z. Nuclear Energy Liability Exclusion (Broad Form)

(1) "Bodily injury" or "property damage":

(a) With respect to which an "insured" under this Supplemental Policy is also an "insured" under a Nuclear Energy Liability Policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or

(b) Resulting from the "hazardous properties" of "nuclear material" and with respect to which:

(i) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or

(ii) The "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

(2) "Bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material" if:

(a) The "nuclear material":

(i) Is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured"; or

(ii) Has been discharged or dispersed therefrom;

(b) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or

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(c) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(c)** applies only to "property damage" to such "nuclear facility" and any property thereat.

(3) As used in this exclusion:

"Property damage" includes all forms of radioactive contamination of property.

B. INVESTIGATION, DEFENSE, SETTLEMENT

1. With respect to "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies (whether or not the "self-insured retention" applies) and for which no coverage is provided under any "underlying insurance" or for which the underlying limits of any "underlying insurance" have been exhausted solely by payments of damages because of "occurrences" during the "policy period"; we:

a. Will have the right and the duty to defend any "suit" against the "insured" seeking "damages" on account thereof, even if such "suit" is groundless, false or fraudulent; but our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under coverages afforded by this Supplemental Policy;

b. May make such investigation and settlement of any claim or "suit" as we deem expedient;

c. Will pay:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in any "suit" defended by us. However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the "insured"; and

(3) All interest on the entire amount of any judgment therein which accrues after the entry of the judgment and before we have paid or tendered or deposited in court that part of the judgment which does not exceed the applicable limit of insurance;

(4) All premiums on appeal bonds required in any such "suit", premiums on bonds to release attachments in any such "suit" for an amount not in excess of the applicable limit of insurance, and the cost of bail bonds required of the "insured" because of an "accident" or traffic law violation arising out of the operation of any vehicle to which this Supplemental Policy applies, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, these bonds, whether the collateralization is characterized as premium or not;

(5) All reasonable expenses incurred by the "insured" at our request in assisting us in the investigation or defense of any claim or "suit", including actual loss of earnings not to exceed $500 per day per "insured";

and the amounts incurred in Paragraph c. above, are not subject to the "self-insured retention" and are payable in addition to any applicable limit of insurance.

We may pay any part or all of the "self insured retention" to pay a judgment or to effect settlement of a claim or "suit", and upon notification of the action taken, the "insured" shall promptly reimburse us for such amounts paid.

2. You agree to arrange for the investigation, defense or settlement of any claim or "suit" in any country where we may be prevented by law from carrying out this agreement. We will pay defense expenses incurred with our written consent in connection with any such claim or "suit" in addition to any applicable limit of insurance. We will also promptly reimburse you for our proper share, but subject to the applicable limit of insurance, of any settlement above the "self-insured retention" or "underlying insurance" made with our written consent.

3. We will have the right to associate at our expense with the "insured" or any underlying insurer in the investigation, defense or settlement of any claim or "suit" which in our opinion may require payment hereunder. In no event, however, will we contribute to the cost or expenses incurred by any underlying insurer.

C. WHO IS AN INSURED

1. If you are designated in the Supplemental Policy Declarations as:

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a. An individual, you and your spouse are "insureds", but only with respect to the conduct of a business, other than that described in b. through e. below, of which you are the sole owner.

b. A partnership or joint venture, you are an "insured". Your members, your partners, and their spouses are also "insureds", but only with respect to the conduct of your business.

c. A limited liability company, you are an "insured". Your members are also "insureds", but only with respect to the conduct of your business. Your managers are "insureds", but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an "insured". Your "executive officers" and directors are "insureds", but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

e. A trust, you are an "insured". Your trustees are also "insureds", but only with respect to their duties as trustees.

2. Each of the following is also an "insured":

a. Your "volunteer workers" only while performing duties related to the conduct of your business or your "employees" other than your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts:

(1) Within the scope of their employment by you or while performing duties related to the conduct of your business; and

(2) Only if such "volunteer workers" or "employees" are "insureds" in the "underlying insurance" with limits of liability at least as high as set forth in the Extension Schedule Of Underlying Insurance, subject to all the limitations upon coverage and all other policy terms and conditions of such "underlying insurance" and this Supplemental Policy.

b. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

c. Your legal representative if you die, but only with respect to his or her duties as such. That representative will have all your rights and duties under this insurance.

3. With respect to any "auto", any person or entity that qualifies as an insured under the "underlying insurance" is an "insured" under this Supplemental Policy, subject to all the limitations of such "underlying insurance".

4. With respect to "mobile equipment", any person is an "insured" while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an "insured", but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an "insured" with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an "insured" under this provision.

5. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as an "insured" if there is no other similar insurance available to that organization.

However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the "policy period", whichever is earlier;

b. This insurance does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. This insurance does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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6. Each person or organization, not included as an "insured" in Paragraphs **1.**, **2.**, **3.**, **4.**, or **5.**, who is an insured in the "underlying insurance" is an "insured" under this Supplemental Policy subject to all the terms, conditions and limitations of such "underlying insurance".

With respect to any person or organization who is not an insured under "underlying insurance" but qualifies as an “insured” under this Supplemental Policy, coverage under this Supplemental Policy shall apply only to loss in excess of the amount of the "underlying insurance" or "self-insured retention" applicable to you.

However, coverage afforded by reason of the provisions set forth above applies only to the extent:

a. Of the scope of coverage provided by the applicable "underlying insurance" but in no event shall coverage be broader than the scope of coverage provided by this Supplemental Policy and any endorsements attached hereto; and

b. That such coverage provided by the applicable "underlying insurance" is maintained having limits as set forth in the Extension Schedule Of Underlying Insurance.

7. No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Supplemental Policy Declarations.

D. LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Supplemental Policy Declarations and the rules below fix the most we will pay regardless of the number of:

a. "Insureds";

b. Claims made or "suits" brought;

c. Persons or organizations making claims or bringing "suits"; or

d. Coverages under which "damages" are covered under this Supplemental Policy.

2. The Limit of Insurance stated as the General Aggregate Limit is the most we will pay for the sum of "damages", other than "damages":

a. Because of injury or damage included within the "products-completed operations hazard";

b. Because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you; and

c. Because of "bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any "auto".

3. The Limit of Insurance stated as the Products Completed Operations Aggregate Limit is the most we will pay for "damages" included within the "products-completed operations hazard".

4. The Limit of Insurance stated as the Bodily Injury By Disease Aggregate Limit is the most we will pay for "damages" because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you.

5. Subject to Paragraphs **2.**, **3.**, or **4.** above, whichever applies, the Each Occurrence Limit is the most we will pay for "damages" because of all "bodily injury", "property damage", and "personal and advertising injury" arising out of any one "occurrence".

6. If coverage provided to an additional insured under this Supplemental Policy is required by a written contract, written agreement or permit, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the written contract, written agreement or permit, less any amounts payable by any "underlying insurance"; or

b. Available under the applicable Limits of Insurance shown in the Supplemental Policy Declarations, whichever is less.

Such additional insured coverage provided by this Supplemental Policy will not be broader than coverage provided by the "underlying insurance".

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7. Our obligations under this insurance, except for our obligations under the Cancellation and Nonrenewal Conditions, end when the applicable Limit of Insurance available is used up. If we pay any amounts for "damages" in excess of that Limit of Insurance, you agree to reimburse us for such amounts.

8. The limits of this Supplemental Policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "policy period" shown in the Supplemental Policy Declarations. However, if the "policy period" is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for the purpose of determining the Limits of Insurance.

E. CONDITIONS

1. Premium

All premiums for this Supplemental Policy shall be computed in accordance with the Premium Section of the Supplemental Policy Declarations. The premium stated as such in the Supplemental Policy Declarations is a deposit premium only which shall be credited to the amount of any earned premium. At the end of the "policy period", the earned premium may be recomputed for such period, and upon notice thereof to the Named Insured first shown in the Supplemental Policy Declarations, shall become due and payable by such Named Insured. If the total earned premium for the "policy period" is less than the premium previously paid and more than the minimum premium, we shall return to such Named Insured the unearned portion paid by such Named Insured.

The Named Insured first shown in the Supplemental Policy Declarations shall maintain records of such information as is necessary for premium computation, and shall send copies of such records to us upon our request.

2. Inspection And Audit

We shall be permitted but not obligated to inspect your property and operations at any time. Neither our right to make inspections, nor the making thereof, nor any report thereon, shall constitute an undertaking on your behalf or for your benefit or that of others to determine or warrant that such property or operations are:

a. Safe;

b. Healthful; or

c. In compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the "policy period" and extensions thereof and within three years after the final termination of this Supplemental Policy, insofar as they relate to the subject matter of this Supplemental Policy.

3. Duties In The Event Of Occurrence, Claim Or Suit

a. You, or any other “insured” under this Supplemental Policy must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim under this Supplemental Policy.

(1) This requirement applies only when such "occurrence" is known to any of the following:

(a) You, or any other “insured” under this Supplemental Policy that is an individual;

(b) Any partner, if you or any other “insured” under this Supplemental Policy is a partnership;

(c) Any manager, if you or any other “insured” under this Supplemental Policy is a limited liability company;

(d) Any "executive officer" or insurance manager, if you or any other “insured” under this Supplemental Policy is a corporation.

(e) Any trustee, if you or any other “insured” under this Supplemental Policy is a trust; or

(f) Any elected or appointed official, if you or any other “insured” under this Supplemental Policy is a political subdivision or public entity.

This duty applies separately to you and any other “insured” under this Supplemental Policy.

(2) To the extent possible, notice should include:

(a) How, when and where the "occurrence" took place;

(b) The names and addresses of any injured persons and witnesses; and

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(c) The nature and location of any injury or damage arising out of the "occurrence".

b. If a claim is made or "suit" is brought against any "insured", you or any other “insured” under this Supplemental Policy must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us in writing as soon as practicable if the claim or “suit” is likely to exceed the amount of the "self-insured retention" or "underlying insurance", whichever applies.

c. You or any other "insured" under this Supplemental Policy must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit" involving or likely to involve a sum in excess of any "self-insured retention" or "underlying insurance", whichever applies;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request in the enforcement of any right against any person or organization that may be liable to any "insured" because of injury or damage to which this Supplemental Policy or any "underlying insurance" or "self-insured retention" may also apply.

d. No "insured" will, except at that "insured's" own cost, make or agree to any settlement for a sum in excess of:

(1) The total limits of "underlying insurance"; or

(2) The "self-insured retention" if no "underlying insurance" applies,

without our consent.

e. No "insured" will, except at that "insured's" own cost, make a payment, assume any obligation, or incur any expenses, other than first aid, without our consent.

4. Assistance And Cooperation Of The Insured

The "insured" shall:

a. Cooperate with us and comply with all the terms and conditions of this Supplemental Policy; and

b. Cooperate with any of the underlying insurers as required by the terms and conditions of the "underlying insurance" and comply with all the terms and conditions thereof.

The "insured" shall enforce any right of contribution or indemnity against any person or organization who may be liable to the "insured" because of "bodily injury", "property damage" or "personal and advertising injury" with respect to this Supplemental Policy or any "underlying insurance".

5. Legal Action Against Us

No person or organization has a right under this Supplemental Policy:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or

b. To sue us on this Supplemental Policy unless all of its terms and those of the "underlying insurance" have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured"; but, we will not be liable for damages that are not payable under the terms of this Supplemental Policy or that are in excess of the applicable Limits of Insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured" and the claimant or the claimant's legal representative.

6. Appeals

a. In the event the "insured", or any insurers providing coverage to which this Supplemental Policy is excess, elects to appeal a judgment in excess of such “underlying insurance”, any applicable self-insured retention, and any other valid and collectible insurance, we shall be liable, in addition to the applicable Limit of Insurance, to pay the premium on appeal bonds for that portion of the judgment in excess of the “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of insurance under this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not.

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However, if we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of this Supplemental Policy, then we will have no obligation to pay any premium on an appeal bond, and the “insured” or the “insured’s” underlying insurers or both will bear:

(1) The full cost and duty of obtaining any appeal bond; and

(2) The taxable costs, disbursements and additional interest incidental to such appeal.

If the claim is settled for less than the judgment amount, we shall only be liable for that portion of the settlement that is in excess of any applicable “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of this Supplemental Policy.

b. If the “insured”, or any insurers providing coverage to which this Supplemental Policy is excess, elect not to appeal a judgment in excess of such “underlying insurance”, applicable self-insured retention, and any other valid and collectible insurance, then we shall have the right to pursue such appeal. In that case, if the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of such “underlying insurance”, self- insured retention, and any other valid and collectible insurance, then we shall be liable, in addition to the applicable limit of insurance, for:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in connection with such appeal. However, such costs do not include attorneys’ fees, attorneys’ expenses, witness or expert fees, or any other expenses of a party taxed against the “insured”;

(3) All interest on the entire amount of the judgment which accrues after the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment which is within the limits of the “underlying insurance” self-insured retention, and any other valid and collectible insurance; and

(4) All premiums on appeal bonds for the amount of the judgment that is within the limits of any self-insured retention, “underlying insurance”, and this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not;

7. Other Insurance

This Supplemental Policy shall apply in excess of all "underlying insurance" whether or not valid and collectible. It shall also apply in excess of other valid and collectible insurance (except other insurance purchased specifically to apply in excess of this insurance) which also applies to any loss for which insurance is provided by this Supplemental Policy.

These excess provisions apply, whether such other insurance is stated to be:

a. Primary;

b. Contributing;

c. Excess; or

d. Contingent;

Provided that if such other insurance provides umbrella coverage in excess of "underlying insurance" or a self-insured retention, this Supplemental Policy shall contribute therewith with respect to "damages".

However, in the event that there is such other umbrella coverage available to cover such excess loss on an excess basis, we will pay only our share of the amount of such excess loss payable under this Supplemental Policy.

8. Transfer Of Rights Of Recovery Against Others To Us

a. If the "insured" has rights to recover all or a part of any payment we have made under this Supplemental Policy, those rights are transferred to us. The "insured" must do nothing after a loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

b. Recoveries shall be applied to reimburse:

(1) First, any interest (including the Named Insured) that paid any amount in excess of our limit of liability;

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(2) Second, us, along with any other insurers with whom we participate in a loss on a quota share basis at the same layer;

(3) Third, such interests (including the Named Insured) of whom this insurance is excess.

However, a different apportionment may be made to effect settlement of a claim by agreement signed by all interests.

c. Reasonable expenses incurred in the exercise of rights of recovery shall be apportioned among all interests in the ratio of their respective losses for which recovery is sought.

9. Changes

This Supplemental Policy contains all the agreements between you and us concerning the insurance afforded. Notice to any agent, or knowledge possessed by any agent or any other person shall not effect a waiver or a change in any part of this Supplemental Policy, or stop us from asserting any rights under the terms of this Supplemental Policy.

The Named Insured first shown in the Supplemental Policy Declarations is authorized on behalf of all "insureds" to agree with us on changes in the terms of this Supplemental Policy.

If the terms are changed, the changes will be shown in an endorsement issued by us and made a part of this Supplemental Policy.

10. Separation Of Insureds

Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this Supplemental Policy to the Named Insured first shown in the Supplemental Policy Declarations, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each "insured" against whom claim is made or "suit" is brought.

11. Maintenance Of Underlying Insurance

Policies, endorsements, and coverage parts affording in total the coverage and limits stated in the Extension Schedule Of Underlying Insurance shall be maintained in full effect during the currency of this Supplemental Policy. Your failure to comply with the foregoing shall not invalidate this Supplemental Policy, but in the event of such failure, we shall be liable only to the extent that we would have been liable had you complied with this Paragraph **11.**

The Named Insured first shown in the Supplemental Policy Declarations shall give us written notice as soon as practicable of any of the following:

a. Any change in the coverage or in the limits of any "underlying insurance", including but not limited to a change from occurrence coverage to claims made coverage;

b. Termination of part or all of one or more of the policies, endorsements, or coverage parts of "underlying insurance";

c. Reduction or exhaustion of an aggregate limit of liability of any "underlying insurance".

The "self-insured retention" shall not apply should the "underlying insurance" be exhausted by the payment of claims or "suits" which are also covered by this Supplemental Policy.

12. Cancellation

a. The Named Insured first shown in the Supplemental Policy Declarations may cancel this Supplemental Policy by mailing or delivering to us or to any of our authorized agents advance written notice of cancellation.

b. We may cancel this Supplemental Policy by mailing or delivering to the Named Insured first shown in the Supplemental Policy Declarations at the address shown in the Supplemental Policy Declarations, written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if such Named Insured fails to pay the premium or any installment when due; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

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c. If notice is mailed, proof of mailing will be sufficient proof of notice. Notice will state the effective date of cancellation. The "policy period" will end on that date. Delivery of such notice by the Named Insured first shown in the Supplemental Policy Declarations or by us will be equivalent to mailing.

d. If the Named Insured first shown in the Supplemental Policy Declarations cancels, the refund may be less than pro rata, but we will retain any minimum premium stated as such in the Supplemental Policy Declarations. If we cancel, the refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.

13. Nonrenewal

a. If we decide not to renew, we will mail or deliver to the Named Insured first shown in the Supplemental Policy Declarations, at the address shown in the Supplemental Policy Declarations, written notice of nonrenewal at least 30 days before the end of the "policy period".

b. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. If we offer to renew but such Named Insured does not accept, this Supplemental Policy will not be renewed at the end of the current "policy period".

14. Workers' Compensation Agreement

With respect to "bodily injury" to any officer or other "employee" arising out of and in the course of employment by you, you represent and agree that you have not abrogated and will not abrogate your defenses under any Workers' Compensation Law by rejection of such law or otherwise. If at any time during the "policy period" you abrogate such defenses, the insurance for "bodily injury" to such officer or other "employee" automatically terminates at the same time.

15. Bankruptcy Or Insolvency Of Insured

In the event of the bankruptcy or insolvency of the "insured" or any entity comprising the "insured", we shall not be relieved of any of our obligations under this Supplemental Policy.

16. Representations Or Fraud

By accepting this Supplemental Policy, you agree:

a. The statements in the Supplemental Policy Declarations are accurate and complete;

b. The statements in the Extension Schedule Of Underlying Insurance are accurate and complete;

c. The statements in **a.** and **b.** are based upon representations you made to us;

d. We have issued this Supplemental Policy in reliance upon your representations; and

e. This Supplemental Policy is void in any case of fraud by you as it relates to this Supplemental Policy or any claim under this Supplemental Policy.

F. DEFINITIONS

Except as otherwise provided in this Section or amended by endorsement, the words or phrases that appear in quotation marks within this Supplemental Policy shall follow the definitions of the applicable "underlying insurance".

1. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Covered pollution cost or expense":

a. Means any cost or expense arising out of:

(1) Any request, demand or order; or

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(2) Any claim or "suit" by or on behalf of a governmental authority demanding

that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

b. Does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(1) That are, or that are contained in any property that is:

(a) Being transported or towed by, handled, or handled for movement into, onto or from, any "auto";

(b) Otherwise in the course of transit by or on behalf of the "insured"; or

(c) Being stored, disposed of, treated or processed in or upon any "auto"; or

(2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(3) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

c. Paragraph **(1)(a)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)** of the definition of "mobile equipment".

d. Paragraphs **b.(1)(b)** and **b.(1)(c)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

4. "Damages" means a monetary award, monetary settlement or monetary judgment. "Damages" include prejudgment interest awarded against the "insured" on that part of the judgment we pay.

a. The following are not considered "damages" and are not covered by this Supplemental Policy:

(1) Fines, penalties, sanctions or taxes;

(2) Attorney's fees and costs associated with any non-monetary relief awarded against the "insured"; or

(3) Any monetary award, monetary settlement or monetary judgment for which insurance is prohibited by the law(s) applicable to the construction of this Supplemental Policy.

5. "Hazardous properties" include radioactive, toxic or explosive properties.

6. "Insured" means any person or organization qualifying as an "insured" in the applicable Who Is An Insured provision of this Supplemental Policy, including any additional insured added by endorsement. The insurance afforded applies separately to each "insured" against whom claim is made or "suit" is brought, except with respect to the limit of our liability under Section **D. LIMITS OF INSURANCE**.

7. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

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(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

8. "Nuclear facility" means:

a. Any "nuclear reactor";

b. Any equipment or device designed or used for:

(1) Separating the isotopes of uranium or plutonium;

(2) Processing or utilizing "spent fuel"; or

(3) Handling, processing or packaging "waste";

c. Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or

d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

9. "Nuclear material" means source material, special nuclear material or by-product material.

Source material, special nuclear material and by-product material have the meanings given to them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

10. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

11. "Occurrence" means:

a. With respect to "bodily injury" or "property damage", an "accident", including continuous or repeated exposure to substantially the same general harmful conditions; and

b. With respect to "personal and advertising injury", an offense described in the definition of “personal and advertising injury” in the "underlying insurance".

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12. "Policy period" as used in this Supplemental Policy means the period beginning with the effective date stated as such in the Supplemental Policy Declarations and ending with the earlier of:

a. The date of cancellation of this Supplemental Policy; or

b. The expiration date stated as such in the Supplemental Policy Declarations.

13. “Pollution hazard” means an actual exposure or threat of exposure to the corrosive, toxic or other harmful properties of any solid, liquid, gaseous or thermal:

a. Pollutants;

b. Contaminants;

c. Irritants; or

d. Toxic substances;

including smoke, vapors, soot, fumes, acids, alkalis, chemicals, or waste materials consisting of or containing any of the foregoing. Waste includes materials to be recycled, reconditioned, or reclaimed.

14. "Self-insured retention" means the amount stated as such in the Supplemental Policy Declarations which is retained and payable by the "insured" with respect to each "occurrence".

15. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

16. "Underlying insurance" means the insurance policies, coverage parts, and endorsements listed in the Extension Schedule Of Underlying Insurance, including any renewals or replacements thereof, which provide the underlying coverages and limits stated in the Schedule Of Underlying Insurance.

The limits of "underlying insurance" include:

(1) Any applicable deductible amount;

(2) Any participation of any "insured"; and

(3) Any applicable self-insured retention;

Less the amount, if any, by which the aggregate limit of such insurance has been reduced by any payment relating to any act, error, omission, injury, damage or offense for which insurance is provided by this Supplemental Policy. The coverages and limits of such policies, coverage parts, and endorsements and any such deductible amount, participation or "self-insured retention" shall be deemed to be applicable regardless of:

(1) Any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its policy, coverage part, or endorsement; or

(2) The actual or alleged insolvency or financial impairment of any underlying insurer or any "insured".

The risk of insolvency or financial impairment of any underlying insurer or any "insured" is borne by you and not by us.

17. "Waste" means any waste material:

a. Containing by-product material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content; and

b. Resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

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BUSINESS LIABILITY COVERAGE FORM

READ YOUR POLICY CAREFULLY

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BUSINESS LIABILITY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the insurance company shown in the Declarations.

"Policy period", as used in this Coverage Part**,** means the period from the effective date of this Coverage Part to the expiration date of the Coverage Part as stated in the Declarations or the date of cancellation, whichever is earlier.

The word "insured" means any person or organization qualifying as such under Section **C**. Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F**. Liability And Medical Expenses Definitions.

A. COVERAGES

1. Business Liability Coverage (Bodily Injury, Property Damage, Personal And Advertising Injury) Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **D.** Liability And Medical Expenses Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

b. This insurance applies:

(1) To "bodily injury" and "property damage" only if:

(a) The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”;

(b) The "bodily injury" or "property damage" occurs during the policy period; and

(c) Prior to the policy period, no insured listed under Paragraph **1.** of Section **C.** Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **C.** Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

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(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

(1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:

(a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and

(b) You are not engaged in the business or occupation of providing such services.

(2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. Medical Expenses

Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within three years of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

3. Coverage Extension - Supplementary Payments

a. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

(1) All expenses we incur.

(2) Up to $1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.

(3) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish, finance, arrange for, guarantee, or collateralize these bonds, whether the collateralization is characterized as premium or not.

(4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $500 a day because of time off from work.

(5) All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the insured.

(6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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(7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Any amounts paid under **(1)** through **(7)** above will not reduce the Limits of Insurance.

b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

(1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

(2) This insurance applies to such liability assumed by the insured;

(3) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

(4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;

(5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

(6) The indemnitee:

(a) Agrees in writing to:

(i) Cooperate with us in the investigation, settlement or defense of the "suit";

(ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(iii) Notify any other insurer whose coverage is available to the indemnitee; and

(iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(b) Provides us with written authorization to:

(i) Obtain records and other information related to the "suit"; and

(ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **1.b.(b)** of Section **B.** Exclusions, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

(1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or

(2) The conditions set forth above, or the terms of the agreement described in Paragraph **(6)** above, are no longer met.

B. EXCLUSIONS

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

(1) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property; or

(2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

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b. Contractual Liability

(1) "Bodily injury" or "property damage"; or

(2) "Personal and advertising injury"

for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages because of:

(a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement; or

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol;

(3) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; or

(4) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury" or "property damage" involved that which is described in Paragraph **(1), (2), (3)** or **(4)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving, or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any insured. However, this paragraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this paragraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Exclusion **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Exclusion **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Exclusion **g.(2)** does not apply to:

(a) A watercraft while ashore on premises you own or rent;

(b) A watercraft you do not own that is:

(i) Less than 51 feet long; and

(ii) Not being used to carry persons or property for a charge;

(c) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft (other than "unmanned aircraft") or watercraft;

(e) "Bodily injury" or "property damage" arising out of:

(i) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(ii) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged; or

(f) An aircraft (other than "unmanned aircraft") that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

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i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

(1) Legal, accounting or advertising services;

(2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications;

(3) Supervisory, inspection, architectural or engineering activities;

(4) Medical, surgical, dental, x-ray or nursing services, treatment, advice or instruction;

(5) Any health or therapeutic service treatment, advice or instruction;

(6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

(7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;

(8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products;

(9) Any:

(a) Body piercing (not including ear piercing);

(b) Tattooing, including but not limited to the insertion of pigments into or under the skin; and

(c) Similar services;

(10) Pharmaceutical services including but not limited to:

(a) The administering, prescribing, preparing, distributing or compounding of pharmaceutical drugs, vaccinations, immunizations or any of their component parts;

(b) The providing of or failure to provide home health care or home infusion products or services; and

(c) Advising and consulting customers;

(11) Computer consulting, design or programming services, including web site design.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property damage”, or “personal and advertising injury” arises out of the rendering of or the failure to render any professional service.

Paragraphs **(4)** and **(5)** of this exclusion do not apply to the Incidental Medical Malpractice coverage afforded under Paragraph **1.e.** in Section **A.** Coverages.

k. Damage To Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

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(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **D.** Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to the use of elevators.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

n. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

o. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

(1) Arising out of oral, written, electronic, or any other manner of publication of material, if done by or at the direction of the insured with knowledge of its falsity;

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(2) Arising out of oral, written, electronic, or any other manner of publication of material whose first publication took place before the beginning of the policy period;

(3) Arising out of a criminal act committed by or at the direction of the insured;

(4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement";

(5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";

(6) Arising out of the wrong description of the price of goods, products or services;

(7) Arising out of:

(a) Any actual or alleged infringement or violation of any intellectual property rights, such as copyright, patent, right of publicity, trademark, trade dress, trade name, trade secret, service mark or other designation of origin or authenticity; or

(b) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made against you, or by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

(i) Infringement, in your "advertisement", of:

a. Copyright;

b. Slogan; unless the slogan is also a trademark, trade dress, trade name, service mark or other designation of origin or authenticity; or

c. Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

Paragraph **(7)(b)ii** above shall not apply to claims or "suits" alleging infringement or violation of trademark, trade dress, trade name, service mark or other designation of origin or authenticity.

(8) Arising out of an offense committed by an insured whose business is:

(a) Advertising, broadcasting, publishing or telecasting;

(b) Designing or determining content of web sites for others; or

(c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a., b.** and **c.** under the definition of "personal and advertising injury" in Section **F.** Liability And Medical Expenses Definitions.

For the purposes of this exclusion, the placing of frames, borders, or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

(9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;

(10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers;

(11) Arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act;

(12) Arising out of:

(a) Advertising content for others on your web site;

(b) Placing a link to a web site of others on your web site;

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(c) Content from a web site of others displayed within a frame or border on your web site. Content includes information, code, sounds, text, graphics or images; or

(d) Computer code, software or programming used to enable:

(i) Your web site; or

(ii) The presentation or functionality of an "advertisement" or other content on your web site;

(13) Arising out of a violation of any anti-trust law;

(14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities;

(15) Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information; or

(16) Arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this exclusion does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(a) Infringement, in your "advertisement", of:

(i) Copyright;

(ii) Slogan; or

(iii) Title of any literary or artistic work; or

(b) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

q. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of “bodily injury” or “property damage” arising out of any access to or disclosure of any person’s or organization’s confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraphs **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of “bodily injury”.

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

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(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)**, or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

s. Asbestos

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or “suit” alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or “suit” for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

t. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning Or Explosion

Exclusions **c.** through **h.** and **k.** through **o.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

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c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business, other than that described in **b.** through **e.** below, of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

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(a) Owned, occupied or used by:

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

(1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator Of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons or property for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

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a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.

b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

a. The limits of insurance required in a written contract, written agreement or permit; or

b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this Policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this Policy and the endorsements is the single highest limit of liability of all

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coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph **3.** above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured under this Coverage Part must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured under this Coverage Part must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You or any additional insured under this Coverage Part must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or “suit”;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured under this Coverage Part, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with such additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured under this Coverage Part only when such "occurrence", offense, claim or "suit" is known to:

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(1) You or any additional insured under this Coverage Part that is an individual;

(2) Any partner, if you or an additional insured under this Coverage Part is a partnership;

(3) Any manager, if you or an additional insured under this Coverage Part is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or an additional insured under this Coverage Part is a corporation;

(5) Any trustee, if you or an additional insured under this Coverage Part is a trust; or

(6) Any elected or appointed official, if you or an additional insured under this Coverage Part is a political subdivision or public entity.

This Paragraph **f.** applies separately to you and any additional insured under this Coverage Part.

3. Legal action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom a claim is made or "suit" is brought.

5. Representations

a. When You Accept This Policy

By accepting this Policy, you agree:

(1) The statements in the Declarations are accurate and complete;

(2) Those statements are based upon representations you made to us; and

(3) We have issued this Policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

6. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk, Owner Controlled Insurance Program or OCIP, Contractor Controlled Insurance Program or CCIP, Wrap Up Insurance or similar coverage for "your work";

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(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **B.** Exclusions.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **B.** Exclusions.

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

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If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

7. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purpose of attracting customers or supporters is considered an advertisement.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means:

a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

a. Injury;

b. Sickness; or

c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above;

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in **a.** above;

(2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or

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(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication.

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.

7. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of “electronic data”, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

b. A sidetrack agreement;

c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;

d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement; or

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

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(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(1)** above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a., b., c.,** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

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a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral, written, electronic, or any other manner of publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral, written, electronic, or any other manner of publication of material that violates a person's right of privacy;

f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard";

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

20. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.

As used in this definition, "electronic data" is not tangible property.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Unmanned aircraft" means an aircraft that is not:

a. Designed;

b. Manufactured; or

c. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

24. "Volunteer worker" means a person who:

a. Is not your "employee";

b. Donates his or her work;

c. Acts at the direction of and within the scope of duties determined by you; and

d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

25. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

26. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED BY CONTRACT

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

Except as otherwise stated in this endorsement, the terms and conditions of the Policy apply.

A. The following is added to Section **C. WHO IS AN INSURED**:

Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a**. through **f**. below are additional insureds when you have agreed, in a written contract or written agreement, or when required by a written permit issued by a state or governmental agency or subdivision or political subdivision that such person or organization be added as an additional insured on your Coverage Part, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by any other endorsement issued by us and made a part of this Coverage Part.

The insurance afforded to such additional insured will not be broader than that which you are required by the contract, agreement, or permit to provide for such additional insured.

The insurance afforded to such additional insured only applies to the extent permitted by law.

The limits of insurance that apply to additional insureds are described in Section **D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE**. How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS**.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

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(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Paragraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

(1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or

(b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

(1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In connection with your premises;

(b) In the performance of your ongoing operations performed by you or on your behalf; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services, including:

(i) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(ii) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property

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damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service.

e. State Or Governmental Agency Or Subdivision Or Political Subdivision Issuing Permit

(1) Any state or governmental agency or subdivision or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

(b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

(1) Any other person or organization who is not in one of the categories or classes listed above in Paragraphs **a**. through **e**. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In the performance of your ongoing operations performed by you or on your behalf;

(b) In connection with your premises owned by or rented to you; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury", "property damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service described in Paragraphs **f.(2)(a)** or **f**.**(2)(b)** above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 57 WEC EU6620 **Endorsement Number:**
Effective Date: 10/01/25 Effective hour is the same as stated on the Information Page of the policy.
Named Insured and Address: CITYGATE ASSOCIATES, LLC
600 COOLIDGE DR STE 150
FOLSOM CA 95630

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 2 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization	**Job Description**
Any person or organization for whom you are required by written contract or agreement to obtain this waiver of rights from us	

Countersigned by _____
Authorized Representative

CITY OF REDONDO BEACH
Budget Response Report

#20

May 30, 2024

Question:

What is the process to obtain ambulance transport rights from Los Angeles County?

Response:

In 2023, the Redondo Beach Fire Department (RBFD) responded to approximately 6,000 Emergency Medical responses with over 4,000 of those requiring ambulance transportation. Currently McCormick Ambulance provides ambulance transportation services for the City of Redondo Beach (City) as part of an exclusive operating agreement that was granted by the Los Angeles County Emergency Medical Services Agency (County) in 2016. This bidding process occurs every ten years.

In 2016 the City submitted a bid to provide ambulance transport services for Redondo Beach, but the contract was ultimately awarded to McCormick Ambulance by the County. If the City is interested in bidding for ambulance transportation rights in 2026, the City would need to allocate funding in the next year and a half to hire a consulting firm, with an estimated cost of $80,000, to determine the cost, benefit, and operational requirements of an ambulance transportation program. The consultant would also assist with the submittal of the City's bid in early 2026.

Background

The Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, or as it is generally known, the "EMS Act," is codified in California Health and Safety Code - HSC § 1797, which comprehensively regulates emergency medical care in California. Enacted in 1980, the Act provides for the creation of emergency medical procedures and protocols, certification of emergency medical personnel, and coordination of emergency responses by fire departments, ambulance transporters, hospitals, and other providers within the emergency medical services ("EMS") system. Redondo Beach is the local agency that provides prehospital emergency medical services under Health & Safety Code § 1797.201, also referred to as "201 Rights"

The law that governs ambulance transport rights in the EMS Act is Health & Safety Code § 1797.224. Commonly referred to as "224 Rights", this section allows local EMS agencies to create "exclusive operating areas" for EMS providers that have provided

services continuously, and in the same manner and scope, as they provided on January 1, 1981. Unlike a Section 201 grandfathered right, a "Section 224" right is a discretionary one that a local EMS agency may grant. RBFD is the local Emergency Medical Services agency.

Over 30 years ago the City, acting as the local Emergency Medical Services agency, waived/granted their 224 rights and subsequently allowed the County to bid on the exclusive operating area of Redondo Beach, which is now designated as exclusive operating area number 8 (EOA #8). The County was awarded the ambulance transportation rights for EOA #8 and the County, in turn, subcontracted to a private ambulance company which today is McCormick Ambulance.

City Program/Proposal

There are several consulting firms that provide EMS and Ambulance Transportation feasibility studies which include a comprehensive evaluation of the finances, insurance payer mix calculations, and the other details necessary to inform City's on the risk, benefit, and service requirements to consider for an ambulance transportation proposal.

Providing ambulance transportation would likely require the City to develop an ambulance transportation program which would entail hiring new employees, providing new infrastructure, and administrative oversight to the program. An initial investment of $2.2M would likely cover the startup and first year operating costs for vehicles, radios, medical equipment, infrastructure, personnel costs, personnel protective equipment, maintenance, overhead, initial training and program delivery. On-going annual costs for personnel and program management would be approximately $900K. It is anticipated that once the program is fully implemented, it would generate $2.9M in annual revenue and net the General Fund approximately $2M per year.

Estimated Costs

Year One Equipment and Infrastructure Start Up Costs	$1.2M
Year One Personnel Start Up Costs	$1.0M
Total First Year Start Up Costs	$2.2M
On-going Annual Personnel Costs	$900K
On-going Annual Gross Revenue	$2.9M
On-going Annual Net Revenue to the General Fund ($2.9M-$900K)	$2.0M

An Ambulance program would require RBFD to employ a minimum of 12 full-time and 6 part-time civilian Emergency Medical Technicians (EMT) whose sole responsibility would be to respond to emergency medical incidents within the exclusive operating area of the City of Redondo Beach and provide transportation to desired hospitals. The EMT's would staff two Basic Life Support ambulances, 24-hours daily, and one, for 10 hours, during

peak-times when the highest call volume is predicted throughout the city. These members would each be assigned a Department mentor and would participate in a two-week training academy instructed by the Department's Firefighter Paramedics. This continuous training and mentorship activity would support growth and development of the employees and enhance the services provided to the community. To yield the most efficient emergency response times, and provide adequate supervision and accountability of personnel, the ambulances and employees would be housed at Fire Stations 1 and 2. The current infrastructure of the stations would require modifications to accommodate the change. Having Redondo Beach Fire Department employees provide transportation services would ensure continuity of patient care and enhance the quality of service provided to the community. The program would also serve as a career pathway for RBFD Cadets.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/15/2025

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

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

PRODUCER
Inszone Insurance Services, LLC
2721 Citrus Road, Suite A
Rancho Cordova, CA 95742

License#: 0F82764

CONTACT NAME: Certificate Team
PHONE (A/C, No, Ext): 877-308-9663 **FAX (A/C, No):** 916-400-2625
E-MAIL ADDRESS: certs@inszoneins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Underwriters Insurance Company	30104
INSURER B : Certain Underwriter's at Lloyd's London	32727
INSURER C : Hartford Casualty Insurance Company	29424
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Citygate Associates, LLC
111 Woodmere Road, Suite 170
Folsom, CA 95630

CITYASS-01

COVERAGES **CERTIFICATE NUMBER:** 2070952083 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
A	**AUTOMOBILE LIABILITY** ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			57SBABE5G1W	10/1/2025	10/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 2,000,000 $ $ $ $
A	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED X RETENTION $ $10,000	Y	Y	57SBABE5G1W	10/1/2025	10/1/2026	EACH OCCURRENCE AGGREGATE 	$ 4,000,000 $ 4,000,000 $
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	57WECEU6620	10/1/2025	10/1/2026	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B B	Professional Liability Professional Liability			PSN0540252602 PSN0540252602	2/14/2025 2/14/2025	2/14/2026 2/14/2026	Aggregate/Each Claim Deductible	$5,000,000 $10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Additional Insured on the General Liability. Primary and Non-Contributory on the General Liability. Waiver of Subrogation on the General Liability and Workers Compensation. Umbrella follows form, subject to the terms and conditions of the policy.

The aforementioned coverage is provided to the extent in the attached forms for: The City, its officers, elected and appointed officials, employees, and volunteers.

CERTIFICATE HOLDER

City of Redondo Beach
City Manager's Office
415 Diamond Street
Redondo Beach, CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

UMBRELLA LIABILITY SUPPLEMENTAL POLICY
READ YOUR POLICY CAREFULLY

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UMBRELLA LIABILITY SUPPLEMENTAL POLICY

In this Supplemental Policy the words "you" and "your" refer to the Named Insured first shown in the Supplemental Policy Declarations and any other person or organization qualifying as a Named Insured under this Supplemental Policy. The words "we", "us" and "our" refer to the insurance company shown in the Supplemental Policy Declarations.

Other words and phrases that appear in quotation marks also have special meanings. Refer to Section **F. DEFINITIONS**.

IN RETURN FOR THE PAYMENT OF THE PREMIUM and in reliance upon the statements in the Supplemental Policy Declarations made a part hereof, and subject to all of the terms of this Supplemental Policy we agree with you as follows:

A. COVERAGES

1. Umbrella Liability Insurance

Insuring Agreement

a. We will pay those sums that the "insured" becomes legally obligated to pay as "damages" in excess of the "underlying insurance" or of the "self-insured retention" when no "underlying insurance" applies, because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies caused by an "occurrence". But, the amount we will pay as "damages" is limited as described in Section **D. LIMITS OF INSURANCE**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Section **B. INVESTIGATION, DEFENSE, SETTLEMENT**.

b. This insurance applies to "bodily injury", "property damage" or "personal and advertising injury" only if:

(1) The "bodily injury" or "property damage" occurs during the "policy period", or the “personal and advertising injury” is caused by an offense committed during the “policy period”; and

(2) Prior to the "policy period", no "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "insured" or authorized "employee" knew, prior to the "policy period", that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the "policy period" will be deemed to have been known prior to the "policy period".

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "insured" listed under Paragraph **1.** of Section **C. WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for "damages" because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

2. Exclusions

This Supplemental Policy does not apply to:

a. Pollution

Any obligation:

(1) To pay for the cost of investigation, defense or settlement of any claim or “suit” against any "insured" alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the “pollution hazard”; or

(2) To pay any "damages", judgments, settlements, loss, costs or expenses that may be awarded or incurred:

(a) By reason of any such claim or “suit” or any such injury or damage; or

(b) In complying with any action authorized by law and relating to such injury or damage.

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EXCEPTION

This exclusion does not apply:

(a) To "bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(b) To injury or damage as to which valid and collectible "underlying insurance" with at least the minimum limits shown in the Extension Schedule Of Underlying Insurance is in force and applicable to the "occurrence". In such event, any coverage afforded by this Supplemental Policy for the "occurrence" will be subject to the pollution exclusions of the "underlying insurance" and to the conditions, limits and other provisions of this Supplemental Policy. But, in the event that such valid and collectable "underlying insurance" is not maintained with limits of liability as set forth in the Extension Schedule Of Underlying Insurance, this Exception **(b)** does not apply.

(c) Exception **(b)** also does not apply to “bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(i) That are, or that are contained in any property that is:

(aa) Being transported or towed by, or handled for movement into, onto or from, any "auto";

(bb) Otherwise in the course of transit by or on behalf of the "insured"; or

(cc) Being stored, disposed of, treated or processed in or upon any "auto";

(ii) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(iii) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

(d) Paragraph **(i)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(i) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(ii) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)**. of the definition of "mobile equipment".

(e) Paragraphs **(c)(ii)** and **(c)(iii)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(i) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(ii) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

b. Workers' Compensation And Similar Laws

Any obligation of the "insured" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

c. Contractual Liability

Liability assumed by the "insured" under any contract or agreement with respect to an "occurrence" taking place before the contract or agreement is executed.

d. Personal And Advertising Injury

"Personal and advertising injury".

(1) EXCEPTION

This exclusion does not apply to the extent that coverage for such "personal and advertising injury" is provided by "underlying insurance", but in no event shall any "personal and advertising injury" coverage

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provided under this Supplemental Policy apply to any claim or "suit" to which "underlying insurance" does not apply. This **EXCEPTION** applies only to the extent that such coverage provided by the "underlying insurance" is maintained having limits as set forth in the Schedule Of Underlying Insurance.

When this **EXCEPTION** applies, the insurance provided under this Supplemental Policy for “personal and advertising injury” will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

This **EXCEPTION** does not apply to:

(a) Aircraft (Unmanned Aircraft)

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this Paragraph **(a)** does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(i) Infringement, in your "advertisement", of:

(aa) Copyright;

(bb) Slogan; or

(cc) Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

(b) Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

e. Underlying Insurance

The amount of any injury or damage:

(1) Covered by "underlying insurance" but for any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its coverage part, policy, or endorsement; or

(2) For which damages would have been payable by "underlying insurance" but for the actual or alleged insolvency or financial impairment of an underlying insurer.

f. Aircraft (Other Than Unmanned Aircraft)

(1) "Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any aircraft (other than "unmanned aircraft"):

(a) Owned by any "insured"; or

(b) Chartered or loaned to any "insured".

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") that is owned or operated by or rented or loaned to any "insured".

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(2) This exclusion does not apply to aircraft (other than "unmanned aircraft") that is:

(a) Hired, chartered or loaned with a paid crew; but

(b) Not owned by any "insured".

(3) This exclusion does not apply to "bodily injury" to any of your "employees" arising out of and in the course of their employment by you.

g. Aircraft (Unmanned Aircraft)

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

h. Watercraft

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, "loading or unloading" of any watercraft.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an "insured", if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others, of any watercraft that is owned or operated by or rented or loaned to, any "insured".

This exclusion does not apply to:

(1) Watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

(2) "Bodily injury" to any of your "employees" arising out of and in the course of their employment by you; or

(3) Any watercraft while ashore on premises owned by, rented to or controlled by you.

i. War

Any injury or damage, however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to property you own.

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Expected Or Intended

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

p. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the "insured" arising out of and in the course of:

(a) Employment by the "insured"; or

(b) Performing duties related to the conduct

of the "insured's" business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the "insured" may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

EXCEPTIONS:

This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

With respect to injury arising out of an "auto" covered under the applicable "underlying insurance," this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits. For the purposes of this exclusion, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

This exclusion does not apply to the extent that valid "underlying insurance" for the employer's liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury".

To the extent this exclusion does not apply, the insurance provided under this Supplemental Policy for the employer's liability risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

q. Property Damage To Employee's Property

With respect to coverage afforded any of your "employees", "property damage" to property owned or occupied by or rented or loaned to:

(1) That "employee";

(2) Any of your other "employees";

(3) Any of your partners or members (if you are a partnership or joint venture); or

(4) Any of your members (if you are a limited liability company).

r. First–Party Auto Or Mobile Equipment Coverages

Any claim arising out of or relating to an "auto" or "mobile equipment" for:

(1) Uninsured or underinsured motorists coverage;

(2) Personal injury protection;

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(3) Auto medical payments coverage;

(4) First-party physical damage coverage; or

(5) Any similar no-fault coverage by whatever name called;

unless this Supplemental Policy is endorsed to provide such coverage.

s. Employment Practices Liability

Any injury or damage to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person, as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above is directed.

(3) This exclusion applies:

(a) Whether the injury-causing event described in Paragraphs **(1)(a)**, **(1)(b)** or **(1)(c)** above occurs before employment, during employment or after employment of that person;

(b) Whether the "insured" may be liable as an employer or in any other capacity; and

(c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

t. Employee Retirement Income Security Act

Any liability arising out of intentional or unintentional violation of any provision of the Employee Retirement Income Security Act of 1974, Public Law 93-406 (commonly referred to as the Revision Act of 1974), or any amendments to them.

u. Asbestos

Any injury, damages, loss, cost or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" arising out of, or relating to, in whole or in part, the "asbestos hazard" that:

(1) May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard"; or

(2) Arise out of any request, demand, order, or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of any "asbestos hazard"; or

(3) Arise out of any claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

v. Racing And Stunting Activities

"Bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of an "auto" or "mobile equipment" while being used in any:

(1) Prearranged or organized racing, speed or demolition contest;

(2) Stunting activity; or

(3) Preparation for any such contest or activity.

w. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of "bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets,

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processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate “electronic data”.

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to “damages” because of "bodily injury".

x. Limited Underlying Coverage

Any injury, damage, loss, costs or expense, including but not limited to "bodily injury", "property damage" or "personal and advertising injury" for which:

(1) "Underlying insurance" provides coverage; but that

(2) Because of a provision within the "underlying insurance", such coverage is provided at a limit or limits of insurance that are less than the limit(s) for the "underlying insurance" shown on the Extension Schedule Of Underlying Insurance.

y. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state, or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

z. Nuclear Energy Liability Exclusion (Broad Form)

(1) "Bodily injury" or "property damage":

(a) With respect to which an "insured" under this Supplemental Policy is also an "insured" under a Nuclear Energy Liability Policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or

(b) Resulting from the "hazardous properties" of "nuclear material" and with respect to which:

(i) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or

(ii) The "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

(2) "Bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material" if:

(a) The "nuclear material":

(i) Is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured"; or

(ii) Has been discharged or dispersed therefrom;

(b) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured"; or

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(c) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(c)** applies only to "property damage" to such "nuclear facility" and any property thereat.

(3) As used in this exclusion:

"Property damage" includes all forms of radioactive contamination of property.

B. INVESTIGATION, DEFENSE, SETTLEMENT

1. With respect to "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies (whether or not the "self-insured retention" applies) and for which no coverage is provided under any "underlying insurance" or for which the underlying limits of any "underlying insurance" have been exhausted solely by payments of damages because of "occurrences" during the "policy period"; we:

a. Will have the right and the duty to defend any "suit" against the "insured" seeking "damages" on account thereof, even if such "suit" is groundless, false or fraudulent; but our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under coverages afforded by this Supplemental Policy;

b. May make such investigation and settlement of any claim or "suit" as we deem expedient;

c. Will pay:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in any "suit" defended by us. However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the "insured"; and

(3) All interest on the entire amount of any judgment therein which accrues after the entry of the judgment and before we have paid or tendered or deposited in court that part of the judgment which does not exceed the applicable limit of insurance;

(4) All premiums on appeal bonds required in any such "suit", premiums on bonds to release attachments in any such "suit" for an amount not in excess of the applicable limit of insurance, and the cost of bail bonds required of the "insured" because of an "accident" or traffic law violation arising out of the operation of any vehicle to which this Supplemental Policy applies, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, these bonds, whether the collateralization is characterized as premium or not;

(5) All reasonable expenses incurred by the "insured" at our request in assisting us in the investigation or defense of any claim or "suit", including actual loss of earnings not to exceed $500 per day per "insured";

and the amounts incurred in Paragraph c. above, are not subject to the "self-insured retention" and are payable in addition to any applicable limit of insurance.

We may pay any part or all of the "self insured retention" to pay a judgment or to effect settlement of a claim or "suit", and upon notification of the action taken, the "insured" shall promptly reimburse us for such amounts paid.

2. You agree to arrange for the investigation, defense or settlement of any claim or "suit" in any country where we may be prevented by law from carrying out this agreement. We will pay defense expenses incurred with our written consent in connection with any such claim or "suit" in addition to any applicable limit of insurance. We will also promptly reimburse you for our proper share, but subject to the applicable limit of insurance, of any settlement above the "self-insured retention" or "underlying insurance" made with our written consent.

3. We will have the right to associate at our expense with the "insured" or any underlying insurer in the investigation, defense or settlement of any claim or "suit" which in our opinion may require payment hereunder. In no event, however, will we contribute to the cost or expenses incurred by any underlying insurer.

C. WHO IS AN INSURED

1. If you are designated in the Supplemental Policy Declarations as:

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a. An individual, you and your spouse are "insureds", but only with respect to the conduct of a business, other than that described in b. through e. below, of which you are the sole owner.

b. A partnership or joint venture, you are an "insured". Your members, your partners, and their spouses are also "insureds", but only with respect to the conduct of your business.

c. A limited liability company, you are an "insured". Your members are also "insureds", but only with respect to the conduct of your business. Your managers are "insureds", but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an "insured". Your "executive officers" and directors are "insureds", but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

e. A trust, you are an "insured". Your trustees are also "insureds", but only with respect to their duties as trustees.

2. Each of the following is also an "insured":

a. Your "volunteer workers" only while performing duties related to the conduct of your business or your "employees" other than your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts:

(1) Within the scope of their employment by you or while performing duties related to the conduct of your business; and

(2) Only if such "volunteer workers" or "employees" are "insureds" in the "underlying insurance" with limits of liability at least as high as set forth in the Extension Schedule Of Underlying Insurance, subject to all the limitations upon coverage and all other policy terms and conditions of such "underlying insurance" and this Supplemental Policy.

b. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

c. Your legal representative if you die, but only with respect to his or her duties as such. That representative will have all your rights and duties under this insurance.

3. With respect to any "auto", any person or entity that qualifies as an insured under the "underlying insurance" is an "insured" under this Supplemental Policy, subject to all the limitations of such "underlying insurance".

4. With respect to "mobile equipment", any person is an "insured" while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an "insured", but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an "insured" with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an "insured" under this provision.

5. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as an "insured" if there is no other similar insurance available to that organization.

However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the "policy period", whichever is earlier;

b. This insurance does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. This insurance does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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6. Each person or organization, not included as an "insured" in Paragraphs **1.**, **2.**, **3.**, **4.**, or **5.**, who is an insured in the "underlying insurance" is an "insured" under this Supplemental Policy subject to all the terms, conditions and limitations of such "underlying insurance".

With respect to any person or organization who is not an insured under "underlying insurance" but qualifies as an “insured” under this Supplemental Policy, coverage under this Supplemental Policy shall apply only to loss in excess of the amount of the "underlying insurance" or "self-insured retention" applicable to you.

However, coverage afforded by reason of the provisions set forth above applies only to the extent:

a. Of the scope of coverage provided by the applicable "underlying insurance" but in no event shall coverage be broader than the scope of coverage provided by this Supplemental Policy and any endorsements attached hereto; and

b. That such coverage provided by the applicable "underlying insurance" is maintained having limits as set forth in the Extension Schedule Of Underlying Insurance.

7. No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Supplemental Policy Declarations.

D. LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Supplemental Policy Declarations and the rules below fix the most we will pay regardless of the number of:

a. "Insureds";

b. Claims made or "suits" brought;

c. Persons or organizations making claims or bringing "suits"; or

d. Coverages under which "damages" are covered under this Supplemental Policy.

2. The Limit of Insurance stated as the General Aggregate Limit is the most we will pay for the sum of "damages", other than "damages":

a. Because of injury or damage included within the "products-completed operations hazard";

b. Because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you; and

c. Because of "bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, entrustment to others, or "loading or unloading" of any "auto".

3. The Limit of Insurance stated as the Products Completed Operations Aggregate Limit is the most we will pay for "damages" included within the "products-completed operations hazard".

4. The Limit of Insurance stated as the Bodily Injury By Disease Aggregate Limit is the most we will pay for "damages" because of "bodily injury" by disease to your "employees" arising out of and in the course of their employment by you.

5. Subject to Paragraphs **2.**, **3.**, or **4.** above, whichever applies, the Each Occurrence Limit is the most we will pay for "damages" because of all "bodily injury", "property damage", and "personal and advertising injury" arising out of any one "occurrence".

6. If coverage provided to an additional insured under this Supplemental Policy is required by a written contract, written agreement or permit, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the written contract, written agreement or permit, less any amounts payable by any "underlying insurance"; or

b. Available under the applicable Limits of Insurance shown in the Supplemental Policy Declarations, whichever is less.

Such additional insured coverage provided by this Supplemental Policy will not be broader than coverage provided by the "underlying insurance".

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7. Our obligations under this insurance, except for our obligations under the Cancellation and Nonrenewal Conditions, end when the applicable Limit of Insurance available is used up. If we pay any amounts for "damages" in excess of that Limit of Insurance, you agree to reimburse us for such amounts.

8. The limits of this Supplemental Policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "policy period" shown in the Supplemental Policy Declarations. However, if the "policy period" is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for the purpose of determining the Limits of Insurance.

E. CONDITIONS

1. Premium

All premiums for this Supplemental Policy shall be computed in accordance with the Premium Section of the Supplemental Policy Declarations. The premium stated as such in the Supplemental Policy Declarations is a deposit premium only which shall be credited to the amount of any earned premium. At the end of the "policy period", the earned premium may be recomputed for such period, and upon notice thereof to the Named Insured first shown in the Supplemental Policy Declarations, shall become due and payable by such Named Insured. If the total earned premium for the "policy period" is less than the premium previously paid and more than the minimum premium, we shall return to such Named Insured the unearned portion paid by such Named Insured.

The Named Insured first shown in the Supplemental Policy Declarations shall maintain records of such information as is necessary for premium computation, and shall send copies of such records to us upon our request.

2. Inspection And Audit

We shall be permitted but not obligated to inspect your property and operations at any time. Neither our right to make inspections, nor the making thereof, nor any report thereon, shall constitute an undertaking on your behalf or for your benefit or that of others to determine or warrant that such property or operations are:

a. Safe;

b. Healthful; or

c. In compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the "policy period" and extensions thereof and within three years after the final termination of this Supplemental Policy, insofar as they relate to the subject matter of this Supplemental Policy.

3. Duties In The Event Of Occurrence, Claim Or Suit

a. You, or any other “insured” under this Supplemental Policy must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim under this Supplemental Policy.

(1) This requirement applies only when such "occurrence" is known to any of the following:

(a) You, or any other “insured” under this Supplemental Policy that is an individual;

(b) Any partner, if you or any other “insured” under this Supplemental Policy is a partnership;

(c) Any manager, if you or any other “insured” under this Supplemental Policy is a limited liability company;

(d) Any "executive officer" or insurance manager, if you or any other “insured” under this Supplemental Policy is a corporation.

(e) Any trustee, if you or any other “insured” under this Supplemental Policy is a trust; or

(f) Any elected or appointed official, if you or any other “insured” under this Supplemental Policy is a political subdivision or public entity.

This duty applies separately to you and any other “insured” under this Supplemental Policy.

(2) To the extent possible, notice should include:

(a) How, when and where the "occurrence" took place;

(b) The names and addresses of any injured persons and witnesses; and

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(c) The nature and location of any injury or damage arising out of the "occurrence".

b. If a claim is made or "suit" is brought against any "insured", you or any other “insured” under this Supplemental Policy must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us in writing as soon as practicable if the claim or “suit” is likely to exceed the amount of the "self-insured retention" or "underlying insurance", whichever applies.

c. You or any other "insured" under this Supplemental Policy must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit" involving or likely to involve a sum in excess of any "self-insured retention" or "underlying insurance", whichever applies;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request in the enforcement of any right against any person or organization that may be liable to any "insured" because of injury or damage to which this Supplemental Policy or any "underlying insurance" or "self-insured retention" may also apply.

d. No "insured" will, except at that "insured's" own cost, make or agree to any settlement for a sum in excess of:

(1) The total limits of "underlying insurance"; or

(2) The "self-insured retention" if no "underlying insurance" applies,

without our consent.

e. No "insured" will, except at that "insured's" own cost, make a payment, assume any obligation, or incur any expenses, other than first aid, without our consent.

4. Assistance And Cooperation Of The Insured

The "insured" shall:

a. Cooperate with us and comply with all the terms and conditions of this Supplemental Policy; and

b. Cooperate with any of the underlying insurers as required by the terms and conditions of the "underlying insurance" and comply with all the terms and conditions thereof.

The "insured" shall enforce any right of contribution or indemnity against any person or organization who may be liable to the "insured" because of "bodily injury", "property damage" or "personal and advertising injury" with respect to this Supplemental Policy or any "underlying insurance".

5. Legal Action Against Us

No person or organization has a right under this Supplemental Policy:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or

b. To sue us on this Supplemental Policy unless all of its terms and those of the "underlying insurance" have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured"; but, we will not be liable for damages that are not payable under the terms of this Supplemental Policy or that are in excess of the applicable Limits of Insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured" and the claimant or the claimant's legal representative.

6. Appeals

a. In the event the "insured", or any insurers providing coverage to which this Supplemental Policy is excess, elects to appeal a judgment in excess of such “underlying insurance”, any applicable self-insured retention, and any other valid and collectible insurance, we shall be liable, in addition to the applicable Limit of Insurance, to pay the premium on appeal bonds for that portion of the judgment in excess of the “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of insurance under this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not.

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However, if we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of this Supplemental Policy, then we will have no obligation to pay any premium on an appeal bond, and the “insured” or the “insured’s” underlying insurers or both will bear:

(1) The full cost and duty of obtaining any appeal bond; and

(2) The taxable costs, disbursements and additional interest incidental to such appeal.

If the claim is settled for less than the judgment amount, we shall only be liable for that portion of the settlement that is in excess of any applicable “underlying insurance”, self-insured retention, and any other valid and collectible insurance and within the applicable limit of this Supplemental Policy.

b. If the “insured”, or any insurers providing coverage to which this Supplemental Policy is excess, elect not to appeal a judgment in excess of such “underlying insurance”, applicable self-insured retention, and any other valid and collectible insurance, then we shall have the right to pursue such appeal. In that case, if the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable limit of such “underlying insurance”, self- insured retention, and any other valid and collectible insurance, then we shall be liable, in addition to the applicable limit of insurance, for:

(1) All expenses incurred by us;

(2) All court costs taxed against the "insured" in connection with such appeal. However, such costs do not include attorneys’ fees, attorneys’ expenses, witness or expert fees, or any other expenses of a party taxed against the “insured”;

(3) All interest on the entire amount of the judgment which accrues after the “insured” or the “insured’s” underlying insurers have paid, offered to pay, or deposited in court that part of the judgment which is within the limits of the “underlying insurance” self-insured retention, and any other valid and collectible insurance; and

(4) All premiums on appeal bonds for the amount of the judgment that is within the limits of any self-insured retention, “underlying insurance”, and this Supplemental Policy, but we will have no obligation to apply for, furnish, finance, arrange for, guarantee, or collateralize, those bonds, whether the collateralization is characterized as premium or not;

7. Other Insurance

This Supplemental Policy shall apply in excess of all "underlying insurance" whether or not valid and collectible. It shall also apply in excess of other valid and collectible insurance (except other insurance purchased specifically to apply in excess of this insurance) which also applies to any loss for which insurance is provided by this Supplemental Policy.

These excess provisions apply, whether such other insurance is stated to be:

a. Primary;

b. Contributing;

c. Excess; or

d. Contingent;

Provided that if such other insurance provides umbrella coverage in excess of "underlying insurance" or a self-insured retention, this Supplemental Policy shall contribute therewith with respect to "damages".

However, in the event that there is such other umbrella coverage available to cover such excess loss on an excess basis, we will pay only our share of the amount of such excess loss payable under this Supplemental Policy.

8. Transfer Of Rights Of Recovery Against Others To Us

a. If the "insured" has rights to recover all or a part of any payment we have made under this Supplemental Policy, those rights are transferred to us. The "insured" must do nothing after a loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

b. Recoveries shall be applied to reimburse:

(1) First, any interest (including the Named Insured) that paid any amount in excess of our limit of liability;

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(2) Second, us, along with any other insurers with whom we participate in a loss on a quota share basis at the same layer;

(3) Third, such interests (including the Named Insured) of whom this insurance is excess.

However, a different apportionment may be made to effect settlement of a claim by agreement signed by all interests.

c. Reasonable expenses incurred in the exercise of rights of recovery shall be apportioned among all interests in the ratio of their respective losses for which recovery is sought.

9. Changes

This Supplemental Policy contains all the agreements between you and us concerning the insurance afforded. Notice to any agent, or knowledge possessed by any agent or any other person shall not effect a waiver or a change in any part of this Supplemental Policy, or stop us from asserting any rights under the terms of this Supplemental Policy.

The Named Insured first shown in the Supplemental Policy Declarations is authorized on behalf of all "insureds" to agree with us on changes in the terms of this Supplemental Policy.

If the terms are changed, the changes will be shown in an endorsement issued by us and made a part of this Supplemental Policy.

10. Separation Of Insureds

Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this Supplemental Policy to the Named Insured first shown in the Supplemental Policy Declarations, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each "insured" against whom claim is made or "suit" is brought.

11. Maintenance Of Underlying Insurance

Policies, endorsements, and coverage parts affording in total the coverage and limits stated in the Extension Schedule Of Underlying Insurance shall be maintained in full effect during the currency of this Supplemental Policy. Your failure to comply with the foregoing shall not invalidate this Supplemental Policy, but in the event of such failure, we shall be liable only to the extent that we would have been liable had you complied with this Paragraph **11.**

The Named Insured first shown in the Supplemental Policy Declarations shall give us written notice as soon as practicable of any of the following:

a. Any change in the coverage or in the limits of any "underlying insurance", including but not limited to a change from occurrence coverage to claims made coverage;

b. Termination of part or all of one or more of the policies, endorsements, or coverage parts of "underlying insurance";

c. Reduction or exhaustion of an aggregate limit of liability of any "underlying insurance".

The "self-insured retention" shall not apply should the "underlying insurance" be exhausted by the payment of claims or "suits" which are also covered by this Supplemental Policy.

12. Cancellation

a. The Named Insured first shown in the Supplemental Policy Declarations may cancel this Supplemental Policy by mailing or delivering to us or to any of our authorized agents advance written notice of cancellation.

b. We may cancel this Supplemental Policy by mailing or delivering to the Named Insured first shown in the Supplemental Policy Declarations at the address shown in the Supplemental Policy Declarations, written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if such Named Insured fails to pay the premium or any installment when due; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

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c. If notice is mailed, proof of mailing will be sufficient proof of notice. Notice will state the effective date of cancellation. The "policy period" will end on that date. Delivery of such notice by the Named Insured first shown in the Supplemental Policy Declarations or by us will be equivalent to mailing.

d. If the Named Insured first shown in the Supplemental Policy Declarations cancels, the refund may be less than pro rata, but we will retain any minimum premium stated as such in the Supplemental Policy Declarations. If we cancel, the refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.

13. Nonrenewal

a. If we decide not to renew, we will mail or deliver to the Named Insured first shown in the Supplemental Policy Declarations, at the address shown in the Supplemental Policy Declarations, written notice of nonrenewal at least 30 days before the end of the "policy period".

b. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. If we offer to renew but such Named Insured does not accept, this Supplemental Policy will not be renewed at the end of the current "policy period".

14. Workers' Compensation Agreement

With respect to "bodily injury" to any officer or other "employee" arising out of and in the course of employment by you, you represent and agree that you have not abrogated and will not abrogate your defenses under any Workers' Compensation Law by rejection of such law or otherwise. If at any time during the "policy period" you abrogate such defenses, the insurance for "bodily injury" to such officer or other "employee" automatically terminates at the same time.

15. Bankruptcy Or Insolvency Of Insured

In the event of the bankruptcy or insolvency of the "insured" or any entity comprising the "insured", we shall not be relieved of any of our obligations under this Supplemental Policy.

16. Representations Or Fraud

By accepting this Supplemental Policy, you agree:

a. The statements in the Supplemental Policy Declarations are accurate and complete;

b. The statements in the Extension Schedule Of Underlying Insurance are accurate and complete;

c. The statements in **a.** and **b.** are based upon representations you made to us;

d. We have issued this Supplemental Policy in reliance upon your representations; and

e. This Supplemental Policy is void in any case of fraud by you as it relates to this Supplemental Policy or any claim under this Supplemental Policy.

F. DEFINITIONS

Except as otherwise provided in this Section or amended by endorsement, the words or phrases that appear in quotation marks within this Supplemental Policy shall follow the definitions of the applicable "underlying insurance".

1. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Covered pollution cost or expense":

a. Means any cost or expense arising out of:

(1) Any request, demand or order; or

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(2) Any claim or "suit" by or on behalf of a governmental authority demanding

that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

b. Does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(1) That are, or that are contained in any property that is:

(a) Being transported or towed by, handled, or handled for movement into, onto or from, any "auto";

(b) Otherwise in the course of transit by or on behalf of the "insured"; or

(c) Being stored, disposed of, treated or processed in or upon any "auto"; or

(2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto any "auto"; or

(3) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

c. Paragraph **(1)(a)** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto", covered by the "underlying insurance" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** or **f.(3)** of the definition of "mobile equipment".

d. Paragraphs **b.(1)(b)** and **b.(1)(c)** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon an "auto" covered by the "underlying insurance" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of the "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

4. "Damages" means a monetary award, monetary settlement or monetary judgment. "Damages" include prejudgment interest awarded against the "insured" on that part of the judgment we pay.

a. The following are not considered "damages" and are not covered by this Supplemental Policy:

(1) Fines, penalties, sanctions or taxes;

(2) Attorney's fees and costs associated with any non-monetary relief awarded against the "insured"; or

(3) Any monetary award, monetary settlement or monetary judgment for which insurance is prohibited by the law(s) applicable to the construction of this Supplemental Policy.

5. "Hazardous properties" include radioactive, toxic or explosive properties.

6. "Insured" means any person or organization qualifying as an "insured" in the applicable Who Is An Insured provision of this Supplemental Policy, including any additional insured added by endorsement. The insurance afforded applies separately to each "insured" against whom claim is made or "suit" is brought, except with respect to the limit of our liability under Section **D. LIMITS OF INSURANCE**.

7. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

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(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

8. "Nuclear facility" means:

a. Any "nuclear reactor";

b. Any equipment or device designed or used for:

(1) Separating the isotopes of uranium or plutonium;

(2) Processing or utilizing "spent fuel"; or

(3) Handling, processing or packaging "waste";

c. Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or

d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

9. "Nuclear material" means source material, special nuclear material or by-product material.

Source material, special nuclear material and by-product material have the meanings given to them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

10. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

11. "Occurrence" means:

a. With respect to "bodily injury" or "property damage", an "accident", including continuous or repeated exposure to substantially the same general harmful conditions; and

b. With respect to "personal and advertising injury", an offense described in the definition of “personal and advertising injury” in the "underlying insurance".

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12. "Policy period" as used in this Supplemental Policy means the period beginning with the effective date stated as such in the Supplemental Policy Declarations and ending with the earlier of:

a. The date of cancellation of this Supplemental Policy; or

b. The expiration date stated as such in the Supplemental Policy Declarations.

13. “Pollution hazard” means an actual exposure or threat of exposure to the corrosive, toxic or other harmful properties of any solid, liquid, gaseous or thermal:

a. Pollutants;

b. Contaminants;

c. Irritants; or

d. Toxic substances;

including smoke, vapors, soot, fumes, acids, alkalis, chemicals, or waste materials consisting of or containing any of the foregoing. Waste includes materials to be recycled, reconditioned, or reclaimed.

14. "Self-insured retention" means the amount stated as such in the Supplemental Policy Declarations which is retained and payable by the "insured" with respect to each "occurrence".

15. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

16. "Underlying insurance" means the insurance policies, coverage parts, and endorsements listed in the Extension Schedule Of Underlying Insurance, including any renewals or replacements thereof, which provide the underlying coverages and limits stated in the Schedule Of Underlying Insurance.

The limits of "underlying insurance" include:

(1) Any applicable deductible amount;

(2) Any participation of any "insured"; and

(3) Any applicable self-insured retention;

Less the amount, if any, by which the aggregate limit of such insurance has been reduced by any payment relating to any act, error, omission, injury, damage or offense for which insurance is provided by this Supplemental Policy. The coverages and limits of such policies, coverage parts, and endorsements and any such deductible amount, participation or "self-insured retention" shall be deemed to be applicable regardless of:

(1) Any defense which any underlying insurer may assert because of the "insured's" failure to comply with any condition of its policy, coverage part, or endorsement; or

(2) The actual or alleged insolvency or financial impairment of any underlying insurer or any "insured".

The risk of insolvency or financial impairment of any underlying insurer or any "insured" is borne by you and not by us.

17. "Waste" means any waste material:

a. Containing by-product material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content; and

b. Resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

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BUSINESS LIABILITY COVERAGE FORM

READ YOUR POLICY CAREFULLY

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BUSINESS LIABILITY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the insurance company shown in the Declarations.

"Policy period", as used in this Coverage Part**,** means the period from the effective date of this Coverage Part to the expiration date of the Coverage Part as stated in the Declarations or the date of cancellation, whichever is earlier.

The word "insured" means any person or organization qualifying as such under Section **C**. Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F**. Liability And Medical Expenses Definitions.

A. COVERAGES

1. Business Liability Coverage (Bodily Injury, Property Damage, Personal And Advertising Injury) Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **D.** Liability And Medical Expenses Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage Extension - Supplementary Payments.

b. This insurance applies:

(1) To "bodily injury" and "property damage" only if:

(a) The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”;

(b) The "bodily injury" or "property damage" occurs during the policy period; and

(c) Prior to the policy period, no insured listed under Paragraph **1.** of Section **C.** Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

(2) To "personal and advertising injury" caused by an offense arising out of your business, but only if the offense was committed in the "coverage territory" during the policy period.

c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **C.** Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

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(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice

(1) "Bodily injury" arising out of the rendering of or failure to render professional health care services as a physician, dentist, nurse, emergency medical technician or paramedic shall be deemed to be caused by an "occurrence", but only if:

(a) The physician, dentist, nurse, emergency medical technician or paramedic is employed by you to provide such services; and

(b) You are not engaged in the business or occupation of providing such services.

(2) For the purpose of determining the limits of insurance for incidental medical malpractice, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

2. Medical Expenses

Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within three years of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

3. Coverage Extension - Supplementary Payments

a. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

(1) All expenses we incur.

(2) Up to $1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.

(3) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish, finance, arrange for, guarantee, or collateralize these bonds, whether the collateralization is characterized as premium or not.

(4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $500 a day because of time off from work.

(5) All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed against the insured.

(6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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(7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Any amounts paid under **(1)** through **(7)** above will not reduce the Limits of Insurance.

b. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

(1) The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

(2) This insurance applies to such liability assumed by the insured;

(3) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

(4) The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;

(5) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

(6) The indemnitee:

(a) Agrees in writing to:

(i) Cooperate with us in the investigation, settlement or defense of the "suit";

(ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(iii) Notify any other insurer whose coverage is available to the indemnitee; and

(iv) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(b) Provides us with written authorization to:

(i) Obtain records and other information related to the "suit"; and

(ii) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **1.b.(b)** of Section **B.** Exclusions, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

(1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or

(2) The conditions set forth above, or the terms of the agreement described in Paragraph **(6)** above, are no longer met.

B. EXCLUSIONS

1. Applicable To Business Liability Coverage

This insurance does not apply to:

a. Expected Or Intended Injury

(1) "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property; or

(2) "Personal and advertising injury" arising out of an offense committed by, at the direction of or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

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b. Contractual Liability

(1) "Bodily injury" or "property damage"; or

(2) "Personal and advertising injury"

for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages because of:

(a) "Bodily injury", "property damage" or "personal and advertising injury" that the insured would have in the absence of the contract or agreement; or

(b) "Bodily injury" or "property damage" assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purpose of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(ii) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol;

(3) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; or

(4) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury" or "property damage" involved that which is described in Paragraph **(1), (2), (3)** or **(4)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving, or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to any insured. However, this paragraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this paragraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or “suit” by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Exclusion **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Exclusion **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury" or "property damage" arises out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Exclusion **g.(2)** does not apply to:

(a) A watercraft while ashore on premises you own or rent;

(b) A watercraft you do not own that is:

(i) Less than 51 feet long; and

(ii) Not being used to carry persons or property for a charge;

(c) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft (other than "unmanned aircraft") or watercraft;

(e) "Bodily injury" or "property damage" arising out of:

(i) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(ii) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged; or

(f) An aircraft (other than "unmanned aircraft") that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

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i. War

"Bodily injury", "property damage" or "personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Professional Services

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional service. This includes but is not limited to:

(1) Legal, accounting or advertising services;

(2) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications;

(3) Supervisory, inspection, architectural or engineering activities;

(4) Medical, surgical, dental, x-ray or nursing services, treatment, advice or instruction;

(5) Any health or therapeutic service treatment, advice or instruction;

(6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

(7) Optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;

(8) Optometry or optometric services including but not limited to examination of the eyes and the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products;

(9) Any:

(a) Body piercing (not including ear piercing);

(b) Tattooing, including but not limited to the insertion of pigments into or under the skin; and

(c) Similar services;

(10) Pharmaceutical services including but not limited to:

(a) The administering, prescribing, preparing, distributing or compounding of pharmaceutical drugs, vaccinations, immunizations or any of their component parts;

(b) The providing of or failure to provide home health care or home infusion products or services; and

(c) Advising and consulting customers;

(11) Computer consulting, design or programming services, including web site design.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property damage”, or “personal and advertising injury” arises out of the rendering of or the failure to render any professional service.

Paragraphs **(4)** and **(5)** of this exclusion do not apply to the Incidental Medical Malpractice coverage afforded under Paragraph **1.e.** in Section **A.** Coverages.

k. Damage To Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

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(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **D.** Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to the use of elevators.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at a job site.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

l. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

n. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

o. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

p. Personal And Advertising Injury

"Personal and advertising injury":

(1) Arising out of oral, written, electronic, or any other manner of publication of material, if done by or at the direction of the insured with knowledge of its falsity;

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(2) Arising out of oral, written, electronic, or any other manner of publication of material whose first publication took place before the beginning of the policy period;

(3) Arising out of a criminal act committed by or at the direction of the insured;

(4) Arising out of any breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement";

(5) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";

(6) Arising out of the wrong description of the price of goods, products or services;

(7) Arising out of:

(a) Any actual or alleged infringement or violation of any intellectual property rights, such as copyright, patent, right of publicity, trademark, trade dress, trade name, trade secret, service mark or other designation of origin or authenticity; or

(b) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made against you, or by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

(i) Infringement, in your "advertisement", of:

a. Copyright;

b. Slogan; unless the slogan is also a trademark, trade dress, trade name, service mark or other designation of origin or authenticity; or

c. Title of any literary or artistic work; or

(ii) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

Paragraph **(7)(b)ii** above shall not apply to claims or "suits" alleging infringement or violation of trademark, trade dress, trade name, service mark or other designation of origin or authenticity.

(8) Arising out of an offense committed by an insured whose business is:

(a) Advertising, broadcasting, publishing or telecasting;

(b) Designing or determining content of web sites for others; or

(c) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a., b.** and **c.** under the definition of "personal and advertising injury" in Section **F.** Liability And Medical Expenses Definitions.

For the purposes of this exclusion, the placing of frames, borders, or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

(9) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;

(10) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers;

(11) Arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act;

(12) Arising out of:

(a) Advertising content for others on your web site;

(b) Placing a link to a web site of others on your web site;

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(c) Content from a web site of others displayed within a frame or border on your web site. Content includes information, code, sounds, text, graphics or images; or

(d) Computer code, software or programming used to enable:

(i) Your web site; or

(ii) The presentation or functionality of an "advertisement" or other content on your web site;

(13) Arising out of a violation of any anti-trust law;

(14) Arising out of the fluctuation in price or value of any stocks, bonds or other securities;

(15) Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information; or

(16) Arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "personal and advertising injury" arises out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

However, this exclusion does not apply if the only allegation in the claim or "suit" involves an intellectual property right which is limited to:

(a) Infringement, in your "advertisement", of:

(i) Copyright;

(ii) Slogan; or

(iii) Title of any literary or artistic work; or

(b) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

q. Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability

(1) Damages because of “bodily injury” or “property damage” arising out of any access to or disclosure of any person’s or organization’s confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

This exclusion applies even if such damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraphs **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of “bodily injury”.

r. Employment-Related Practices

"Bodily injury" or "personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

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(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution or false arrest directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a)**, **(b)**, or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)**, or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

s. Asbestos

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard".

(2) Any damages, judgments, settlements, loss, costs or expenses that:

(a) May be awarded or incurred by reason of any claim or “suit” alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";

(b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(c) Arise out of any claim or “suit” for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

t. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You – Exception For Damage By Fire, Lightning Or Explosion

Exclusions **c.** through **h.** and **k.** through **o.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

2. Applicable To Medical Expenses Coverage

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

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c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business, other than that described in **b.** through **e.** below, of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

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(a) Owned, occupied or used by:

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage under this provision does not apply to:

(1) "Bodily injury" or "property damage" that occurred; or

(2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator Of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons or property for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

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a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.

b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

a. The limits of insurance required in a written contract, written agreement or permit; or

b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this Policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this Policy and the endorsements is the single highest limit of liability of all

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coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph **3.** above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured under this Coverage Part must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured under this Coverage Part must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You or any additional insured under this Coverage Part must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or “suit”;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured under this Coverage Part, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with such additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured under this Coverage Part only when such "occurrence", offense, claim or "suit" is known to:

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(1) You or any additional insured under this Coverage Part that is an individual;

(2) Any partner, if you or an additional insured under this Coverage Part is a partnership;

(3) Any manager, if you or an additional insured under this Coverage Part is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or an additional insured under this Coverage Part is a corporation;

(5) Any trustee, if you or an additional insured under this Coverage Part is a trust; or

(6) Any elected or appointed official, if you or an additional insured under this Coverage Part is a political subdivision or public entity.

This Paragraph **f.** applies separately to you and any additional insured under this Coverage Part.

3. Legal action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom a claim is made or "suit" is brought.

5. Representations

a. When You Accept This Policy

By accepting this Policy, you agree:

(1) The statements in the Declarations are accurate and complete;

(2) Those statements are based upon representations you made to us; and

(3) We have issued this Policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

6. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk, Owner Controlled Insurance Program or OCIP, Contractor Controlled Insurance Program or CCIP, Wrap Up Insurance or similar coverage for "your work";

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(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **B.** Exclusions.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **B.** Exclusions.

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

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If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

7. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purpose of attracting customers or supporters is considered an advertisement.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means:

a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

a. Injury;

b. Sickness; or

c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in **a.** above;

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in **a.** above;

(2) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; or

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(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication.

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.

7. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of “electronic data”, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of "your product" or "your work"; or

b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section **D.** Liability And Medical Expenses Limits Of Insurance.

b. A sidetrack agreement;

c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;

d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement; or

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

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(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(1)** above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, on which are permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in **a., b., c.,** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a., b., c.,** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, “mobile equipment” does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

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a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral, written, electronic, or any other manner of publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral, written, electronic, or any other manner of publication of material that violates a person's right of privacy;

f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or

g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard";

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or

(2) The existence of tools, uninstalled equipment or abandoned or unused materials.

20. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.

As used in this definition, "electronic data" is not tangible property.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Unmanned aircraft" means an aircraft that is not:

a. Designed;

b. Manufactured; or

c. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

24. "Volunteer worker" means a person who:

a. Is not your "employee";

b. Donates his or her work;

c. Acts at the direction of and within the scope of duties determined by you; and

d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

25. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

26. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED BY CONTRACT

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

Except as otherwise stated in this endorsement, the terms and conditions of the Policy apply.

A. The following is added to Section **C. WHO IS AN INSURED**:

Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs **a**. through **f**. below are additional insureds when you have agreed, in a written contract or written agreement, or when required by a written permit issued by a state or governmental agency or subdivision or political subdivision that such person or organization be added as an additional insured on your Coverage Part, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by any other endorsement issued by us and made a part of this Coverage Part.

The insurance afforded to such additional insured will not be broader than that which you are required by the contract, agreement, or permit to provide for such additional insured.

The insurance afforded to such additional insured only applies to the extent permitted by law.

The limits of insurance that apply to additional insureds are described in Section **D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE**. How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS**.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

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(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Paragraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

(1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or

(b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

(1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In connection with your premises;

(b) In the performance of your ongoing operations performed by you or on your behalf; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services, including:

(i) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(ii) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the “bodily injury”, “property

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damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service.

e. State Or Governmental Agency Or Subdivision Or Political Subdivision Issuing Permit

(1) Any state or governmental agency or subdivision or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit.

(2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

(b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

(1) Any other person or organization who is not in one of the categories or classes listed above in Paragraphs **a**. through **e**. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(a) In the performance of your ongoing operations performed by you or on your behalf;

(b) In connection with your premises owned by or rented to you; or

(c) In connection with "your work" and included within the "products-completed operations hazard", but only if:

(i) The written contract, written agreement or permit requires you to provide such coverage to such additional insured; and

(ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

(2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(b) Supervisory, surveying, inspection, architectural or engineering activities.

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by an insured, if the "bodily injury", "property damage", or "personal and advertising injury" arises out of the rendering of or the failure to render any professional service described in Paragraphs **f.(2)(a)** or **f**.**(2)(b)** above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

Policy Number: 57 WEC EU6620 **Endorsement Number:**
Effective Date: 10/01/25 Effective hour is the same as stated on the Information Page of the policy.
Named Insured and Address: CITYGATE ASSOCIATES, LLC
600 COOLIDGE DR STE 150
FOLSOM CA 95630

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 2 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization	**Job Description**
Any person or organization for whom you are required by written contract or agreement to obtain this waiver of rights from us	

Countersigned by _____
Authorized Representative

Administrative Report

H.20., **File #** 25-1469 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

ADOPT BY TITLE ONLY ORDINANCE NO. 3306-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10 CHAPTER 2, ARTICLE 5, SECTION 10-2.1707 OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO PARKING REGULATIONS FOR NON-RESIDENTIAL USES LOCATED ON PROPERTIES WITHIN THE ARTESIA AND AVIATION CORRIDORS AREA PLAN. FOR SECOND READING AND ADOPTION.

EXECUTIVE SUMMARY

Ordinance No. 3306-25 was approved for introduction and first reading on October 14, 2025, and is now ready for second reading and adoption. Amendments made by the City Council at the October 14, 2025 meeting have been incorporated in the Ordinance. The proposed Ordinance, if adopted, would eliminate parking requirements for all new development of non-residential uses within the Artesia and Aviation Corridors Area Plan (AACAP).

BACKGROUND

The City Council held a meeting to discuss the City's General Plan update with a specific focus on policies related to the AACAP. The City Council discussed, took public testimony, and considered numerous revitalization strategies, including but not limited to, increasing the Floor Area Ratio (FAR) for properties within the AACAP area from 0.6 to 1.5, potential mixed-use development within AACAP, development "caps" with increased FAR's as incentives for early revitalization projects, reduced or eliminated open space requirements, and various additional future parking strategies. At the conclusion of all discussions and public comments, the City Council directed staff to move forward, as a priority item, with an amendment to the City's Municipal Code (RBMC) eliminating required parking for non-residential uses for properties within the AACAP.

A key consideration concerning the proposed Zoning Ordinance amendment to eliminate parking requirements within the AACAP area is contained within the "conclusion" from the 2019 Parking Utilization Study. That survey documents the significant underutilization and availability of existing parking both on private off-street parking lots as well as public on-street parking within the AACAP area. "The overall parking supply within the Plan Area (AACAP) boundary is more than adequate to accommodate existing demand. Ideally, an efficiently parked area would be around 85% utilized, keeping a 15% vacant space buffer to prevent excessive waiting or vehicles circling around blocks looking for available spaces. The on-street occupancy is at most 68% and the off-street occupancy is at most 50% within the study area. By harnessing the efficiencies of shared parking lots (either public or privately-owned) the study area can accommodate existing demand and some future growth

in land uses using the existing supply of parking." In addition to the parking specific studies, presentations, and plans noted above, the City Council Administrative Reports (including their attachments) from their public meeting on August 5, and September 9, 2025, are also attached. The August 5, 2025, City Council report in particular includes significant background, analysis, and additional documents that clearly demonstrate the challenges and impediments to future developments within the AACAP area posed by the combination of the small/shallow lots and existing RBMC parking standards. Attached to the August 5, 2025, City Council administrative report is a "Massing and Parking Study" that demonstrates the significant limitations on development of a standard sized property within the AACAP area. Per that study, a future development project that included a typical "surface parking lot" that complies with the City's currently required parking regulations would result in a project with an FAR of less than 0.4.

COORDINATION

This administrative report was prepared by the Community Development Department in coordination with the City Attorney's Office and the City Manager. The Ordinance has been reviewed and approved as to form by the City Attorney's Office.

FISCAL IMPACT

Funding for the preparation of this report and the proposed Ordinance is available in the annual operating budgets of the Community Development Department and the City Attorney's Office.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ord - No. 3306-25 Amending Title 10 Chapter 2 Zoning and Land Use Section 10-2.1707 of the Redondo Beach Municipal Code Pertaining to Parking Regulations for Non-Residential Uses Located on Properties within the Artesia And Aviation Corridors Area Plan
- Administrative Report - City Council, October 14, 2025

ORDINANCE NO. 3306-25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10 CHAPTER 2, ARTICLE 5, SECTION 10-2.1707 OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO PARKING REGULATIONS FOR NON-RESIDENTIAL USES LOCATED ON PROPERTIES WITHIN THE ARTESIA AND AVIATION CORRIDORS AREA PLAN

WHEREAS, the City Council of the City of Redondo Beach at their duly noticed public hearing on December 8, 2020, adopted the “Artesia & Aviation Corridors Area Plan” (AACAP); and

WHEREAS, the purpose of the AACAP is to identify policy approaches and explicit actions that can be used by City staff or property owners to activate, energize, and revitalize the Artesia and Aviation Corridors in a coordinated and consistent manner; and

WHEREAS, the purpose and intention of the “mobility objectives” within the Artesia and Aviation Corridor Area Plan are to provide a concentration of office, restaurant, and retail activity that is community/neighborhood serving and to create a "park once and walk" corridor that meets parking needs and promotes the use of active transportation (e.g., walking, bicycling, and scooter riding); and

WHEREAS, to better understand the current parking capacity within the AACAP area, a parking study was conducted that identified a total of 2,877 parking spaces, of which 688 are on-street, public spaces, and 2,189 are private, off-street spaces. Further analysis revealed that both on- and off-street parking spaces are generally underutilized, suggesting that the current supply can accommodate higher demand. An efficiently parked area maintains an 85 percent utilization rate, but current on-street and off-street parking rarely exceeds 68 percent and 50 percent utilization, respectively; and

WHEREAS, on August 5, 2025, the City Council held a meeting to discuss the City’s General Plan – Land Use Element update with a specific focus on policies related to the “revitalization of the Artesia and Aviation Corridor”. The City Council discussed, took public testimony, and considered numerous revitalization strategies, including but not limited to, increasing the Floor Area Ratio (FAR) for properties within the AACAP area from 0.6 to 1.5, potential mixed-use development within AACAP, development “caps” with increased FAR’s as incentives for early revitalization projects, reduced or eliminated open space requirements, and various additional future parking strategies. At the conclusion of all discussions and public comments, the City Council directed staff to move forward, as a priority item, with an amendment to the City’s Zoning Ordinance eliminating required parking for non-residential uses; and

WHEREAS, on September 9, 2025, staff presented a draft Zoning Ordinance eliminating parking requirements for new development of non-residential uses within the AACAP area for the City Council’s review and direction. City Council took public

testimony, discussed the proposed ordinance, and provided the following direction to city staff:

1. Remove the existing language in Section 10-2.1707 that prohibits “restaurant (fast food) and a restaurant with drive-through use” within the AACAP area.
2. Revise the draft ordinance to apply to all nonresidential uses, including restaurant (fast food) and restaurants with drive-throughs.
    a. Staff’s original draft ordinance included a “carve out” of the parking elimination regulation for restaurant (fast food) and restaurants with drive-throughs.
3. Incorporate language to encourage parking areas, if provided, to be located to the rear of proposed structures.
    a. Include language that addresses potential compatibility concerns with parking areas adjacent to residential and adding additional buffering requirements for parking areas that choose to locate in front of new developments adjacent to Artesia or Aviation Boulevards.
4. Incorporate future and regular progress reports on redevelopment metrics within the AACAP area into the City’s Strategic Plan to measure effectiveness of this revitalization strategy and avoidance of unintended consequences such as impacting the street parking within adjacent residential and private parking on neighboring commercial properties.
5. Present the draft Zoning Ordinance to the Planning Commission at a public hearing for their review, comment, discussion, and recommendation(s); and

WHEREAS, on September 18, 2025, staff presented a draft Zoning Ordinance to the Planning Commission at their duly noticed public hearing inclusive of the City Councils direction, which eliminates parking requirements for all new development of non-residential uses within the AACAP area, and the Planning Commission adopted Resolution No. 2025-09-PCR-09 recommending that the City Council pass the Zoning Ordinance with recommendations and modifications; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA DOES HEREBY FIND AS FOLLOWS:

SECTION 1. RECITALS. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

SECTION 2. FINDINGS

1. In compliance with the California Environmental Quality Act (CEQA) of 1970, as amended, and State and local guidelines adopted pursuant thereto, the zoning amendment is Categorically Exempt from further environmental review, pursuant to Section 15060(c)(2), as the project is not expected to result in a reasonably foreseeable change in the environment, and Section 15061(b)(3) that refers to activities where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (“common-sense exemption”), of the Guidelines of the California

Environmental Quality Act (CEQA), therefore, the action is not subject to CEQA.

2. The amendment to the Zoning ordinance is consistent with the General Plan.

    a. Land Use Element Goal 1H: Continue and enhance existing commercial districts which contribute revenue to the City and are compatible with adjacent residential neighborhoods.
    b. Land Use Element Policy 1.15.2: Publicly initiate and allow for the private sector development of municipal or shared parking lots, which incorporate bicycle storage facilities, along the street frontages to provide for joint use of adjacent commercial properties and allow for the incorporation of commercial uses into the structure along the street frontage (except for areas required for access).
    c. Land Use Element Policy 1.15.7: Integrate improvements which facilitate transit use of Artesia Boulevard, such as bus shelters and recessed access points.
    d. Land Use Element Objective 1.17: Provide for the development of uses which predominantly serve and are accessible to local residents, create a distinctive pedestrian activity area of the City, and are compatible with adjacent residential neighborhoods.
    e. Land Use Element Policy 1.17.1: Accommodate a mix of commercial uses which provide for the needs of nearby residents (as defined by Policy 1.16.1) and enhance pedestrian activity on parcels designated as “C-2-PD".
    f. Land Use Element Policy 1.17.3: Encourage the development of outdoor dining and other similar uses which do not impede pedestrian circulation on the sidewalks.
    g. Land Use Element Policy 1.19: Provide for the development of uses which predominantly serve and are accessible to local residents and compatible with adjacent residential neighborhoods.

3. These amendments do not require a vote of the people under Article XXVII of the City Charter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Pursuant to Section 10-2.2504(b)(2) Zoning amendments, the City Council adopts the amendments to the Redondo Beach Municipal Code pertaining to the elimination of required parking for non-residential uses within the AACAP area.

SECTION 2. AMENDMENT OF CODE. Title 10, Chapter 2 (Zoning and Land Use) Article 5 Section 10-2.1707 is amended as follows:

“§ 10-2.1707. Nonresidential parking standards within the Artesia and Aviation Corridors Area Plan.

(a) Purpose and intent. The mobility objectives of the Artesia and Aviation Corridors Area Plan are to provide a concentration of office, restaurant, and retail activity that is community/neighborhood serving. The intent is to create a "park once and walk" corridor that meets parking needs and promotes the use of active transportation (e.g., walking, bicycling, and scooter riding). Restaurant and office uses, identified as "preferred uses" within the corridor plan, are envisioned to attract a mix of people from the surrounding neighborhoods who may arrive on foot, bike, e-bike and other alternative modes, or by car. The segments of Artesia and Aviation Boulevards included in the Artesia and Aviation Corridor Area Plan runs from the transportation easement (rail line) east of Inglewood Avenue to the western City boundary at Aviation Boulevard.

(b) Number of Parking Spaces Required. All permitted non-residential uses, that have frontage on either the Artesia or Aviation Boulevards within the Artesia and Aviation Corridors Area Plan are not required to provide parking.

(1) Outdoor Seating for Restaurant Uses. No parking is required.

(2) Although not required, if the project provides on-site parking, then design of parking lots, common parking garages, driveway approaches, driveways, and aisles are subject to the requirements pursuant to Section 10-2.1706 and the following additional “General Requirements”, “Exceptions”, and “Findings”.

a. General Requirements.

1. Off-street parking areas shall be located to the rear of, or beneath, the primary building or structure on the lot.
2. No off-street parking shall be permitted in the front yard setback or between the front of the primary building and the public street, except as provided in subsection b. below.

b. Exceptions – Administrative Use Permit

1. The placement of off-street parking in the front of the primary building may be authorized through approval of an Administrative Use Permit (AUP) as determined by the Community Development Director subject to the findings in Subsection c.
2. An application for an AUP shall be processed in accordance with Section 10-2.2507.

c. Findings for Approval.

In approving an AUP the Community Development Director shall make either findings 1 or 2, and 3, in addition to the requirements contained in Sections 10-2.2507:

1. Site Constraints. Physical site conditions, including not limited to lot depth, topography, corner lot condition, or the location of existing structures make rear parking infeasible.
2. Business Operations. The proposed business or use has operational characteristics that warrant front yard parking, such as customer pick-up/drop-off areas, accessibility needs, or similar functions, and rear parking would substantially impair the business operation.

3. Design Mitigation. Parking located in front of the primary building is designed and screened to minimize visual impacts from the public right-of-way, including landscaping, decorative walls, or other design treatments consistent with City design guidelines.

(c) Requirements for parking lot designs not compliant with Section 10-2.1706. Overlap (on-site or off-site) parking, valet parking, tandem parking, and mechanical lifts for all nonresidential uses located within the Artesia and Aviation Corridors Area Plan may apply for an Administrative Design Review pursuant to Section 10-2.2500.

(1) Administrative Design Review may be approved for:
   a. Overlap parking serving more than one (1) use or site;
   b. Valet parking;
   c. Tandem parking;
   d. Mechanical lifts; or
   e. Any combination of the above, subject to specific findings and conditions of approval.

(2) In approving an Administrative Design Review for parking lot design not compliant with Section 10-2.1706, overlap parking (on-site or off-site), valet parking, tandem parking, and/or mechanical lifts, the Community Development Director (or designee) shall find:
   a. In regard to overlap (on-site or off-site) parking:
      1. The peak-hour parking demand from all uses does not coincide and/or the uses are such that the hours of operation are different for various portions of the business. If the site is in a pedestrian-oriented commercial zone, the Community Development Department may also approve overlap parking subject to a determination that the use mix is conducive to customers parking and walking to visit more than one business on the same trip; and
      2. The adjacent or nearby properties will not be adversely affected relative to parking; and
      3. The proposed traffic circulation will not be detrimental to the health, safety, and welfare of residents residing or working in or adjacent to the neighborhood; and
      4. The off-site parking is within a reasonable distance of the premises upon which the building or use is located; and
      5. In reaching a decision, the Community Development Director (or assigned) may consider survey data submitted by an applicant or collected at the applicant's request and expense.
   b. In regard to valet parking, tandem parking, and mechanical lifts:
      1. The location for valet services, tandem parking, and mechanical lifts does not severely impede on-site or off-site traffic or pedestrian circulation; and
      2. The adjacent or nearby properties will not be adversely affected by noise associated with the mechanical lifts and/or valet parking services; and

3. Mechanical lifts shall be operated by an employee and shall be screened from view from the adjacent public right-of-way to the extent feasible.

(3) Mechanical Lift Design Standards. A mechanical lift is an elevator-like mechanical system allowing full-size passenger cars or sport utility vehicles to be placed in the lift and mechanically raised or lowered, creating space for more full-size passenger cars or sport utility vehicles to be parked in a vertical configuration. Mechanical lifts shall be operated solely by parking attendants. Mechanical lifts shall be screened from view from adjacent public streets to the extent feasible.

(4) As a condition of such Administrative Design Review approval for overlap parking (off-site), the Community Development Director (or assigned) shall require a written agreement between landowner(s) and the City, in a form satisfactory to the City Attorney, which shall include:

a. A guarantee among the landowner(s) for access to and use of the off-site overlap parking facilities; and
b. Remedies in the event that there is a change in use on the property or in the event that the off-site overlap parking is lost; and
c. A provision that the City may require parking facilities in addition to those originally approved, after notice and administrative hearing, upon a finding by the Community Development Director (or assigned) that adequate parking to serve the use(s) has not been provided; and
d. A provision stating that the City, acting through the Community Development Director (or designee), may, for due cause and upon notice and administrative hearing, modify, amend, or unilaterally terminate the agreement at any time.

(5) Notwithstanding the foregoing, if such parking reduction, parking lot design, overlap (on-site or off-site) parking, valet parking, tandem parking, or mechanical lift request also includes other discretionary actions to be considered by the Planning Commission, the Community Development Director shall refer the parking request to the Planning Commission in conjunction with such other discretionary actions. The Planning Commission, in considering the parking request, shall make such findings and include necessary conditions as provided in this section.

(6) Performance. It is a violation of this section for use of valet and/or mechanical lift parking spaces and queuing to access those spaces, to be operated in a manner that causes either: (a) significant congestion on adjacent streets or intersections; (b) any other significant impediment to City intersections, streets or adjacent off-street parking areas; or (c) significant interference with the self-park operations elsewhere on site. Violations of this section are subject to enforcement pursuant to Article 15 (Enforcement) of Part IV (Administration) of Chapter 2 (Zoning) of Title 10 (Planning and Zoning) of the Redondo Beach Municipal Code. In addition, the Community Development Director may impose conditions if the Community Development Director determines that doing so is necessary to eliminate any such violation."

SECTION 3. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 4. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 5. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city or published in conformance with the alternative publication requirements pursuant to Redondo Beach City Charter §9.15 and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED, AND ADOPTED this 21st day of October, 2025.

_____
James A. Light, Mayor

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

ATTEST:

_____
Eleanor Manzano, CMC, City Clerk

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No.3306-25 was introduced at a regular meeting of the City Council of the City of Redondo Beach, California, held on the 14th day of October, 2025, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 21st day of October, 2025, and thereafter signed and approved by the Mayor and attested by the City Clerk and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Eleanor Manzano, City Clerk

Administrative Report

L.1., **File #** 25-1423 **Meeting Date:** 10/14/2025

To: **MAYOR AND CITY COUNCIL**

From: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDING THE TITLE 10 CHAPTER 2 ZONING AND LAND USE SECTION (10-2.1707) OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO PARKING REGULATIONS FOR NON-RESIDENTIAL USES ON PROPERTIES LOCATED ON ARTESIA AND AVIATION BOULEVARDS

PROCEDURES:
1. Open the public hearing, take testimony
2. Close the public hearing
3. Introduce for first reading Ordinance No. 3306-25, amending Title 10, Chapter 2 Zoning and Land Use Section 10-2.1707 of the Redondo Beach Municipal Code

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3306-25, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10 CHAPTER 2, ARTICLE 5, SECTION 10-2.1707 OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO PARKING REGULATIONS FOR NON-RESIDENTIAL USES LOCATED ON PROPERTIES WITHIN THE ARTESIA AND AVIATION CORRIDORS AREA PLAN. FOR INTRODUCTION AND FIRST READING

EXECUTIVE SUMMARY

On August 5, 2025, the City Council discussed the City's General Plan update with a specific focus on policies related to the Artesia and Aviation Corridor Area Plan (AACAP). At the conclusion of all discussions and public comments, the City Council directed staff to move forward with an amendment to the City's Municipal Code (RBMC) eliminating required parking for non-residential uses for properties within the AACAP. The City Council provided additional direction on the matter at their September 9, 2025 meeting.

On September 18, 2025, staff presented a draft Zoning Ordinance amendment to the Planning Commission, inclusive of the City Council direction to eliminate parking requirements for all new development of non-residential uses within the AACAP area. The Planning Commission considered staff's presentation, took public testimony, discussed the draft Zoning Ordinance, conducted further deliberations, and recommended that the City Council adopt the CEQA Notice of Exemption and the Zoning Ordinance with modifications. The Commission's specific recommendations are described below, but are not incorporated in the draft Ordinance. The language in the Ordinance reflects the direction provided by the City Council on September 9th.

BACKGROUND

The AACAP, adopted December 8, 2020, was derived from work that occurred during the General Plan update and includes a set of strategies and development standards intended to help incentivize the revitalization of the Artesia and Aviation Corridors. Included in the AACAP's multiple revitalization strategies are parking relaxation and/or "rightsizing" recommendations aimed at reducing barriers to future redevelopment. In 2023, a number of specific modifications to the City's parking regulations were reviewed and approved by both the Planning Commission and the City Council which seek to further incentivize future development within the AACAP area. RBMC Section 10-2.1707 for nonresidential parking standards within the Artesia and Aviation Corridors Area Plan includes a number of "flexible" parking options, including, but not limited to valet, mechanical lifts, off-site, as well as reductions in parking requirements for restaurants and office uses, which are designated as preferred uses in the AACAP. To date, however, the City has yet to experience the revitalization and redevelopment in the AACAP area that is intended with these options.

As a result, on August 5, 2025, the City Council held a meeting to discuss the City's General Plan update with a specific focus on policies related to the AACAP. The City Council discussed, took public testimony, and considered numerous revitalization strategies, including but not limited to, increasing the Floor Area Ratio (FAR) for properties within the AACAP area from 0.6 to 1.5, potential mixed-use development within the AACAP are, development "caps" with increased FAR's as incentives for early revitalization projects, reduced or eliminated open space requirements, and various additional future parking strategies. At the conclusion of the discussions and public comment, the City Council directed staff to move forward, as a priority item, with an amendment to the RBMC eliminating required parking for non-residential uses on properties along the two boulevards.

On September 9, 2025, staff presented a draft Zoning Ordinance eliminating parking requirements for new development of non-residential uses within the AACAP area for the City Council's review and direction. The City Council took public testimony, discussed the proposed Ordinance, and provided the following direction:

1. Remove the existing language in Section 10-2.1707 that prohibits "restaurant (fast food) and a restaurant with drive-through use" within the AACAP area
2. Revise the draft ordinance to apply to all nonresidential uses, including fast food restaurants and restaurants with drive-throughs
    a. Staff's original draft ordinance included a "carve out" of the parking elimination regulation for restaurant (fast food) and restaurants with drive-throughs
3. Incorporate language to require and/or encourage parking areas, if provided, to be located to the rear of proposed structures
4. Incorporate future and regular progress reports on redevelopment metrics within the AACAP area as part of the City's Strategic Plan to measure the effectiveness of the no-parking revitalization strategy and to help avoid unintended consequences such as negatively impacting street parking in adjacent residential neighborhoods. Staff will return to the City Council with a discussion on the impacts of the parking regulation changes at a future meeting.

A key consideration concerning the proposed Zoning Ordinance amendment to eliminate parking

requirements within the AACAP area is contained within the 2019 Parking Utilization Study. The survey documents the significant underutilization and availability of existing parking on private off-street parking lots as well as public on-street parking within the AACAP area, and states, “the overall parking supply within the Plan Area (AACAP) boundary is more than adequate to accommodate existing demand. Ideally, an efficiently parked area would be around 85% utilized, keeping a 15% vacant space buffer to prevent excessive waiting or vehicles circling around blocks looking for available spaces. The on-street occupancy is at most 68% and the off-street occupancy is at most 50% within the study area. By harnessing the efficiencies of shared parking lots (either public or privately-owned) the study area can accommodate existing demand and some future growth in land uses using the existing supply of parking.”

The attached August 5, 2025 City Council Administrative Report includes significant background, analysis and attachments that clearly demonstrate the challenges and impediments to future developments within the AACAP area posed by the combination of the small/shallow lots and existing RBMC parking standards. The “Massing and Parking Study” is included in this report and demonstrates the significant limitations on development of a standard sized property in the AACAP area. Per that study, a future development project that included a typical “surface parking lot” that complies with the city’s currently required parking regulations would result in a project with an FAR of less than 0.4.

Rear Parking

At the September 9, 2025 City Council meeting, direction was provided to generally require that parking be located at the rear of the property and behind the main building, while allowing flexibility for parking to be provided in the front of the property under certain circumstances through additional permitting requirements. The following provisions were added to the Draft Zoning Ordinance in accordance with the City Council’s direction:

General Requirements

1. Off-street parking areas shall be located to the rear of the primary building or structure on the lot
2. No Off-street parking shall be permitted in the front yard setback or between the front of the primary building and the public street, except as provided in Subsection b

Exceptions - Administrative Use Permit

1. The placement of off-street parking in the front of the primary building may be authorized through approval of an Administrative Use Permit (AUP), or Conditional Use Permit, as determined by the Community Development Director subject to the findings in Subsection c
2. An application for an AUP shall be processed in accordance with 10-2.2507

Findings for Approval

In approving an Administrative Use Permit for front parking, the review authority shall find that:

1. Site Constraints. Physical site conditions, including not limited to lot depth, topography, corner lot condition, or the location of existing structures make rear parking infeasible
2. Business Operations. The proposed business or use has operational characteristics that warrant front parking, such as customer pick-up/drop-off areas, accessibility needs, or similar functions, and rear parking would substantially impair the business operation
3. Design Mitigation. Parking located in front of the primary building is designed and screened to minimize visual impacts from the public right-of-way, including landscaping,

decorative walls, or other design treatments consistent with City design guidelines

Planning Commission Recommendations

On September 18, 2025, staff presented a draft Zoning Ordinance amendment to the Planning Commission inclusive of the City Council's direction from its public meeting on September 9, 2025, to eliminate parking requirements for all new development of non-residential uses within the AACAP area.

The Planning Commission considered staff's presentation, took public testimony, discussed the draft Zoning Ordinance, conducted further deliberations, and recommended that the City Council adopt the CEQA Notice of Exemption and the draft Zoning Ordinance with the following additional considerations and recommendations:

1. If parking areas/lots are to be provided they are only permitted to the rear/behind proposed or existing development.
2. Reduce maximum allowable two-way driveway widths to 15'.
3. Plan now for future City parking lots along Artesia Boulevard by identifying potential locations.
    a. Possible locations to include but not limited to behind the Post Office, within the SCE right-of-way, and at the current north branch library.
    b. Increase the required front setback of the underlying non-residential zoning designations within the AACAP area (C-2 and C-2-PD) to widen sidewalks and accommodate outdoor dining.
4. Prohibit restaurants (fast food) and restaurants with drive throughs.
5. Add cross-walks at intersections within the AACAP where they don't currently exist.
6. Direct City staff to develop preliminary future Artesia Boulevard right-of-way improvements that include multiple parking designs that can accommodate additional parking spaces as well as future City parking lot locations.

As noted above, the Ordinance as currently drafted does not incorporate the Commission's recommendations. If the City Council wishes to make additional modifications to the Zoning Ordinance, then it may continue this hearing to a future date certain with specific direction on the recommended modifications and then reconsider the Ordinance for first reading and adoption.

COORDINATION

This administrative report was prepared by the Community Development Department in coordination with the City Attorney's Office and the City Manager. The Ordinance has been reviewed and approved as to form by the City Attorney's Office.

FISCAL IMPACT

Funding for the preparation of this report and the proposed Ordinance is available in the annual operating budgets of the Community Development Department and the City Attorney's Office.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Ord - No. 3306-25 Amending Title 10 Chapter 2 Zoning and Land Use Section 10-2.1707 of the Redondo Beach Municipal Code Pertaining to Parking Regulations for Non-Residential Uses Located on Properties within the Artesia And Aviation Corridors Area Plan
- Redline Amendments to RBMC 10-2.1707
- Declaration - CEQA Exemption Declaration, October 14, 2025
- Public Notice - Notice of Public hearing before the City Council, October 10, 2025
- Reso - No. 2025-09-PCR-09 Planning Commission, September 18, 2025

Administrative Report

H.21., **File #** 25-1463 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

TITLE

RECEIVE AND FILE THE MONTHLY UPDATE TO THE STRATEGIC PLAN OBJECTIVES ADOPTED BY THE CITY COUNCIL ON JUNE 10, 2025

EXECUTIVE SUMMARY

On April 29, 2025, the City Council held a strategic planning session to discuss and update the City's Strategic Plan. At the session, the Mayor and City Council considered recent accomplishments, completed a strengths, weaknesses, opportunities, and threats (SWOT) analysis, evaluated and adjusted the previously established three-year goals, and listed specific objectives for the upcoming 10-month period. On June 10th, the City Council reviewed the draft objectives, added a few additional items that are incorporated in the attached matrix, and adopted the Plan. This report provides the fourth update to the current Strategic Plan.

BACKGROUND

The City has been committed to a strategic planning process since 1998, a process that focuses staff resources on achievable policy goals and objectives set by the City Council. On April 1, 2025, the Council approved an updated contract with Leading Resources Inc. for consulting services to facilitate the City's Strategic Planning Session on April 29, 2025.

During the session, the Mayor and City Council discussed the City's prior accomplishments, evaluated and adjusted the previously established three-year goals, and identified the objectives for the new plan.

The three-year goals (2025-2028), which serve as the overarching framework for the Strategic Plan, were updated and now identify more specific Goals that are organized under five Priority Areas:

Priority Area 1: Economic Vitality

- Goal 1.1: Enhance the Waterfront
- Goal 1.2: Revitalize Artesia Boulevard
- Goal 1.3: Position Redondo Beach as a Destination for Business Investment
- Future Goal 1.4: Revitalize the Pacific Coast Highway Corridor

Priority Area 2: Public Safety and Community Well-Being

- Goal 2.1: Implement Measure FP (Reconstruct City Fire and Police Facilities)
- Goal 2.2: Strengthen the City's Mental Health Response and Community Support

Systems
- Goal 2.3: Further Enhance the City's Approach to Addressing Homelessness
- Goal 2.4: Continue to Leverage Technology to Enhance Public Safety, Emergency Response, and Community Resilience

Priority Area 3: Infrastructure and Public Spaces
- Goal 3.1: Rehabilitate City Roads and Critical Public Facilities
- Goal 3.2: Expand and Enhance Public Spaces, Amenities, and Programs
- Goal 3.3: Enhance Alternative Transportation Options
- Goal 3.4: Develop Long-Range Plans to Modernize City Facilities, Including the Public Works Yard and City Hall

Priority Area 4: Customer-Centered Service Delivery
- Goal 4.1: Improve Customer Service by Expanding the City's Use of Digital Tools and Online Services

Priority Area 5: Community Stewardship
- Goal 5.1: Advance Environmental Sustainability and Climate Resilience
- Goal 5.2: Preserve and Promote the City's Historic Resources and Neighborhood Character

The objectives have been drafted to ensure that they are specific and quantifiable, identify the various Departments that will be responsible for their completion, and establish target execution dates.

The City Manager's Office provides monthly updates on the adopted ten-month objectives to enable the Mayor and Council to monitor the City's progress on the Strategic Plan. The attached matrix includes updates and notations provided by the Department(s) responsible for each objective. This is the fourth update provided for this iteration of the Strategic Plan.

COORDINATION
The ten-month objectives are completed by the assigned Department(s).

FISCAL IMPACT
Funds for activities related to the Strategic Plan are included in the City's annual budget.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS
- October 21, 2025 Strategic Plan Update

City of Redondo Beach Strategic Plan

Three-Year Priority Areas & 10-Month Objectives

June 2025 – March 2026

CM= City Manager **ATCM**=Assistant to City Manager **CD**=Community Development **CS**=Community Services **FD**=Fire Department **FS**=Financial Services **HR**=Human Resources **IT**=Information Technology **LIB**=Library **PD**=Police Department **PW**=Public Works **WED**=Waterfront and Economic Development **CA**=City Attorney **CC**=City Clerk **CT**=City Treasurer

Priority Area 1: Economic Vitality

Goal 1.1 Enhance the Waterfront

#	When	Who	Objectives	Done	On Target	Revised	Notes
1	March 1, 2026	WED/PW	Investigate the options and costs associated with improving the Pier Parking Structure to allow for redevelopment.		X		
2	July 15, 2025	WED	Identify strategies to proactively market and lease the identified commercial opportunity sites in the Harbor and Pier area.	X			Staff appeared before the City Council during the July 8 and August 12 closed session agendas to discuss the strategies.
3	September 1, 2025	WED	Complete the pre-design engineering studies needed to construct the new public boat launch and present the results to the City Council for review.	***X***			***Pre-design studies have been completed, and staff met with each Councilmember during the weeks of September 8 and September 15, to present the findings.***
4	December 31, 2025	WED, PW	Complete the entitlement approval process for all phases of the Seaside Lagoon Rehabilitation Project and complete the plans and specifications for Phase 1 of the project needed for the Coastal Development Permit.			X	Local consideration of approval of the Lagoon's CDP and phase one construction plan set is on schedule. Coastal Commission review and approval is still TBD.
5	October 1, 2025	WED, CD	Identify the process and cost to consider adjusting the Local Coastal Program requirements for King Harbor Marina parking.			***X***	***Staff is prepared to bring this discussion item for the City Council's consideration in November 2025.***
6	March 1, 2026	FD, PD, CA, WED	Research policy options and prepare a draft Safety Ordinance for rental watercraft in King Harbor.			***X***	***Staff is working with the City Council to update Title 12 language. The scope of the initial ordinance project has expanded, and staff anticipates completing this item in June 2026.***
7	September 1, 2025	WED	Complete consideration of the preliminary Marine Mammal Center/Waterfront Education Center Property Use and Fundraising Agreement.		X		***The Option Agreement was drafted and sent to the Marine Mammal Care Center (MMCC) for review in early July. Staff met with MMCC representatives on September 4 to answer questions and walk through the document. MMCC submitted initial comments and redlines on September 14, followed by additional revisions on September 29. Staff presented MMCC's counter proposal to the City Council at the October 7 closed session. In coordination with outside legal counsel, staff is now drafting updated redline language based on City Council direction and expects to return***

							the revised agreement to MMCC by October 17, 2025.
8	October 1, 2025	WED, FD	Present a report to the City Council comparing the City's harbor/marine management operating model/organizational structure to others.			X	Staff anticipates the presentation to occur at a City Council meeting in November/December.
9	October 1, 2025	WED	Prepare a report to discuss the options and process to remove the former Gold's Gym site from the Harbor Tidelands.			***X***	***Staff anticipates bringing this as a Closed Session item in November 2025.***

Goal 1.2: Revitalize Artesia Boulevard

#	When	Who	Objectives	Done	On Target	Revised	Notes
10	October 1, 2025	CD	Complete the policy discussions for adjusting the FAR Ratio and implementing property investment incentives along the Artesia/Aviation Corridor, in conjunction with the General Plan Phase 2 Update.	X			The policy discussion was held by the City Council on August 5, 2025. The Council directed staff to prepare an ordinance allowing up to 1.5 FAR along Artesia/Aviation.
11	September 1, 2025	CD	Provide a report to the City Council detailing the impact the changes made to Artesia Blvd parking regulations are having on business reinvestment in the area.	X			On August 5, the City Council directed staff to prepare an ordinance that would eliminate commercial parking requirements along Artesia. The draft ordinance will be reviewed by the Planning Commission in September, and will return to City Council for consideration of adoption in late October.
12	December 31, 2025	CS, WED, PW	Provide a status report on the public art procurement effort on Artesia Blvd. by the City's newly-hired art consultant.		X		***The first phase of stakeholder interviews is underway. A community meeting was held on September 30, 2025, and the community survey launched in September closed with 168 responses.***
13	October 1, 2025	CD	Provide a report to the City Council on the process to study and consider implementing rooftop dining; lot merger incentives that would encourage property reinvestment/revitalization; and options to enhance the quality of business signage along the boulevards.			X	These items are trailing the Ordinance modification discussion to reduce parking requirements along the boulevards.

Goal 1.3: Position Redondo Beach as a Destination for Business Investment

#	When	Who	Objectives	Done	On Target	Revised	Notes
14	November 1, 2025	WED, CD, ATCM, MAYOR+ COUNCIL SUBCOMM.	Convene an Economic Development Working Group to help recruit/retain businesses and assist staff in identifying and analyzing conditions/regulations/processes that exist in the City that may impede business reinvestment and report the preliminary results to the City Council.		X		***An Economic Development Subcommittee met with two commercial development teams on four occasions to tour Artesia Blvd, the Waterfront, and PCH. Staff is currently preparing an agreement with one of the teams to provide real estate advisory services for properties on the Artesia Boulevard Corridor. Project deliverables include a catalog of parcel owners with contact information, a void analysis, a prospect list of interested tenants and developers, and recommended land use adjustments to attract targeted uses. Staff anticipates presenting the draft agreement to the City Council on November 18, 2025.***

15	December 31, 2025	CD, WED	Support proactive development in the City with a focus on business retention and enhancing marketing efforts and outreach to potential businesses and provide a report to the City Council on the status of these efforts.		X		
16	March 1, 2026	MAYOR, WED, CD, ATCM	Create a Major Events working group to pursue opportunities and attract activities associated with the 2026 World Cup and LA28 Olympics, as appropriate.		X		Marketing material revisions are in progress and will be shared once finalized.

Future Goal 1.4: Revitalize the Pacific Coast Highway Corridor

Priority Area 2: Public Safety and Community Well-Being

Goal 2.1 Implement Measure FP (Reconstruct City Fire and Police Facilities)

#	When	Who	Objectives	Done	On Target	Revised	Notes
17	August 1, 2025	ATCM	Complete selection of the firm to serve as the City's Owner's Representative and Bond Program Manager and present the contract to City Council for consideration of approval.	X			An Agreement with Griffin Structures was approved by Council on July 15, 2025.
18	March 1, 2026	FIN, ATCM, PW, IT, PD, FD, CT	Following selection of the Owner's Representative and Bond Program Manager, work with the City's Municipal Financial Advisor to develop a strategy to appropriately time the City's bond issuance to complete the projects included in Measure FP.		X		PRAG is standing by to advise the City as the funding needs and project schedule are developed in the Strategic Planning phase of Measure FP implementation.
19	March 1, 2026	ATCM, CA	Prepare the selection guidelines and resolution to form a Citizens Oversight Committee to review bond-related expenditures.		X		
20	July 1, 2025	PW, PD	Complete the studies/design work needed to prepare the federal grant application for funding to replace the City's Police Shooting Range and engage appropriate outside/partnership agencies, pending release of the notice of funding opportunity.	X			City was notified that the application was not selected for the grant for this Cycle. Efforts to identify alternative grant funding options are underway.

Goal 2.2: Strengthen the City's Mental Health Response and Community Support Systems

#	When	Who	Objectives	Done	On Target	Revised	Notes
21	September 1, 2025	CA, FD, PD	Present a report to the City Council on the City's efforts to utilize grant funding to hire/procure a mental health clinician to provide targeted response to mental health-related incidents in the City.	***X***			***The report was presented to the City Council on September 2, followed by approval of an agreement with Clear on September 9. On October 7, 2025, the City Council also approved an agreement with HERO to provide consultation services and deploy a weekend pilot team***
22	August 1, 2025	CA, FD, PD	Explore partnership with Hermosa Beach that would pool resources to enhance the City's ability to respond to mental health issues.	X			The City of Hermosa Beach has agreed to Partner with the City to improve the City's ability to respond to mental health issues.

Goal 2.3: Further Enhance the City's Approach to Addressing Homelessness

#	When	Who	Objectives	Done	On Target	Revised	Notes
23	March 1, 2026	PW, CA	Complete construction of the pallet shelter expansion project.		X		***Plans and specifications for the project were approved on August 19. The project will be advertised on October 16, with the bid opening scheduled for November 5 and contract award anticipated on December 2, 2025.***
24	March 1, 2026	CS	Explore options to secure funding to support family supportive housing and report back to the City Council.		X		
25	August 1, 2025	CS	Develop a program to implement foster youth vouchers and report back to the City Council.	X			The Housing Authority approved the program agreement with Department of Children and Family Services at the June 17, 2025 Council meeting.

Goal 2.4: Continue to Leverage Technology to Enhance Public Safety, Emergency Response, and Community Resilience

#	When	Who	Objectives	Done	On Target	Revised	Notes
26	March 1, 2026	PD	Update the City's Drone First Responder agreement with Aerodome after the company obtains the FAA certificate waiver for autonomous drone use.		X		
27	October 31, 2025	IT, PD	Investigate options to modernize the City video camera platform and consolidate existing systems.		X		***A new camera platform has been selected and installed, and all jail cameras have been replaced on a like-for-like basis. The City Security Systems Administrative Policy and Procedure (APP) has been updated and is currently under review. Staff plans to present an item to the City Council in late 2025 to discuss the updated APP and security camera inventory.***
28	February 1, 2026	FD, IT	Complete additional research on the functionality and costs associated with implementing the Tablet Command Application for the Fire Department.	X			The product assessment is complete and Tablet Command was identified as the most suitable product available at this time. Negotiations with Tablet Command in another City Department yielded unfavorable contract terms, with the vendor unwilling to yield.

Priority Area 3: Infrastructure and Public Spaces

Goal 3.1: Rehabilitate City Roads and Critical Public Facilities

#	When	Who	Objectives	Done	On Target	Revised	Notes
29	December 31, 2025	PW	Identify the cost and process to inventory the condition of City facilities for future implementation of an asset management system.		X		Staff is exploring software providers and costs.
30	December 1, 2025	PW, ATCM	Pursue grant funding for energy-related infrastructure improvements.		X		Staff continues to explore opportunities to secure grant funding.
31	March 1, 2026	PW	Research and provide a report to Council on the options to enhance the City's Street rehabilitation program.		X		

Goal 3.2: Expand and Enhance Public Spaces, Amenities, and Programs

#	When	Who	Objectives	Done	On Target	Revised	Notes
32	April 1, 2026	CS, PW	Execute the Wilderness Park Master Plan as funded.		X		Construction on the Lower Pond Repair project began on August 18, 2025. Four educational signs were installed in the park and unveiled on August 25, 2025.
33	October 1, 2025	CS, PW	Complete conceptual design of the Franklin Park playground improvements.			***X***	***The Franklin Park All-Abilities Playground Working Group held meetings from June through September 2025. Playground amenities have been selected, and the conceptual design will be presented to the Public Amenities Commission and the City Council in November 2025. Staff successfully applied for a National Parks and Recreation Society Grant, which will fund 50% of the playground equipment costs.***
34	November 1, 2025	CS/PW	Explore options to add signage to Ito Park that draws inspiration from signage found in America's National Parks.	***X***			***Staff received information from Public Amenities Commissioners regarding signage language used by the FDR Presidential Museum, and subsequently contacted the Museum for additional information. The City has been granted permission to replicate the historical content for usage on signs. Staff acquired quotes from three sign production companies and identified the most appropriate vendor. Language for the Ito Park signage is being finalized with the assistance of the Bringing History to the Community subcommittee of the Public Amenities Commission. Installation is anticipated in late 2025.***
35	December 31, 2025	CS	Enhance available programming in the City's Teen Center.		X		***The Teen Center Ribbon Cutting took place on September 25, 2025. Programming continues to develop as feedback is***

							received by staff. A report detailing program development and participation will be presented to the City Council at the December 16, 2025, meeting.
36	November 1, 2025	CM, ATCM, FS	Provide a report on the status of negotiations with RBUSD regarding shared service and facility agreements.		X		***A negotiation update was scheduled for closed session discussion on October 14, 2025.***
37	January 1, 2026	ATCM	Research and provide Council with a report regarding the next steps to implement a licensing agreement to produce and market City-branded apparel using the updated City logo.		X		
38	October 1, 2025	ATCM	Prepare a report for Council to discuss the process and cost associated with updating the City flag with the new logo and also incorporating the logo on other City-maintained flags and banners.	***X***			***Staff presented the report at the October 7, 2025, City Council meeting.***

Goal 3.3: Enhance Alternative Transportation Options

#	When	Who	Objectives	Done	On Target	Revised	Notes
39	January 1, 2026	PW	Award the construction contract to implement the City's Local Travel Network (LTN).		X		***The project was advertised for bidding on September 18, 2025, and the bid opening was scheduled for October 16, 2025.***
40	December 1, 2025	PW	Develop a strategy to deploy available funding for bike lane repainting to enhance bicycle safety and provide a report on the status of the City's implementation of the Bicycle Master Plan.		X		***Staff anticipates bringing this discussion item for the City Council's consideration in November 2025.***
41	December 1, 2025	PW	Provide a report to the City Council on the status of the City's active transportation and micro-mobility projects included in the CIP.		X		***Staff anticipates bringing this discussion item for the City Council's consideration in November 2025.***
42	February 1, 2026	CS	Analyze BCT routes and determine if there are other route options that could enhance youth ridership.		X		

Future Goal 3.4: Develop Long-Range Plans to Modernize City Facilities, Including the Public Works Yard and City Hall

Priority Area 4: Customer-Centered Service Delivery

Goal 4.1: Improve Customer Service by Expanding the City's Use of Digital Tools and Online Services

#	When	Who	Objectives	Done	On Target	Revised	Notes
43	January 1, 2026	CC, IT	Work with Departments to determine the records and processes that can be digitized in order to improve operations and meet retention and disposition requirements. Develop a plan to digitize City records, make them more easily accessible to the public, and provide a progress report to the City Council.		X		***Form digitization is in progress for the Finance Department, IT Department, and City Clerk's Office. Staff are currently exploring tools leveraging AI to aid in document classification and metadata gathering. Initial meetings with each department are being held, and planning efforts are well underway.***
44	March 1, 2026	CC, IT	Research software options to improve the workflow for public records act requests.		X		***Product selection is complete, and the agreement is currently being reviewed by the City Attorney's Office.***
45	February 1, 2026	CC, IT, ATCM	Complete implementation of the new Agenda Management System to streamline internal operations and provide for enhanced agenda forecasting.		X		The implementation of the new Agenda Management System is underway. Currently scheduled to go-live Q4, 2025 or Q1 2026.
46	September 1, 2025	IT, ATCM	Develop a plan to prioritize and implement new online processes to improve the functionality of the City website and enhance service delivery, including the possible use of AI.	X			The website went live with an AI Chat Bot/AI Search on June 30, 2025. Staff continue ongoing efforts to improve search results through content updates.
47	March 1, 2026	IT, ATCM	Implement the Access Redondo App update and make it easier for community members to submit customer requests.		X		***The project has been kicked off, and Comcate staff are currently analyzing existing system data. Staff is evaluating data disposition strategies to align with record retention schedules and analyzing potential impacts. The system is tentatively scheduled to go live in Q1 or Q2 of 2026.***

Priority Area 5: Community Stewardship

Goal 5.1: Advance Environmental Sustainability and Climate Resilience

#	When	Who	Objectives	Done	On Target	Revised	
48	November 1, 2025	PW	Inventory the City's tree canopy and present a discussion item to the City Council to determine the best strategies to enhance the tree canopy in the future.		X		***Staff presented this item to the Public Works and Sustainability Commission. Staff anticipates bringing this discussion item for the City Council's consideration in November 2025.***
49	January 1, 2026	PW	Select and hire a consultant needed to study and update the City's Sewer System Management Plan.	X			A contract amendment was approved on July 15, 2025. The SSMP will be presented to Council by June 2026.
50	February 1, 2026	ATCM, PW	Continue to advance efforts to install additional EV charging stations throughout the City.		X		Staff continues to explore opportunities to secure grant funding.
51	September 1, 2025	WED	Provide a status report on the City's California Coastal Commission LCP Local Assistance Grant Program grant application, including climate resiliency.	***X***			***The report was presented to the City Council on September 16, 2025. On October 7, 2025, the City Council approved a grant agreement with the Coastal Commission, securing $500,000 in grant funding.***

Goal 5.2: Preserve and Promote the City's Historic Resources and Neighborhood Character

#	When	Who	Objectives	Done	On Target	Revised	Notes
52	November 1, 2025	CD, CA	Provide a report to the City Council on possible updates to the City's Historic Preservation Ordinance.				
53	March 1, 2026	CD	Prepare a contract for completion of a Citywide Historical Resources Survey and present it to the City Council for consideration of approval.				
54	October 1, 2025	CD	Review and present options to Council related to updating parking regulations in the Riviera Village as part of a larger discussion regarding preferred business uses in the Village.				

Administrative Report

H.22., **File #** 25-1473 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

TITLE

APPROVE AN AMENDMENT TO THE AGREEMENT WITH ARTIST ERNESTO MARANJE FOR THE PUBLIC ARTWORK "SEA CHATTER" TO BE LOCATED ON THE N. CATALINA AVENUE AND N. GERTRUDA AVENUE WALLS BORDERING THE PUBLIC WORKS MAINTENANCE FACILITY AT 545 N. GERTRUDA AVENUE TO EXTEND THE TERM FROM DECEMBER 2, 2025 TO JANUARY 30, 2026

EXECUTIVE SUMMARY

The Public Works Yard at 545 N. Gertruda Avenue was identified as a priority site for public art, leading to the selection of Ernesto Maranje's mural design, *Sea Chatter*, following review by the Public Art Commission and the City Council. An agreement with the artist was executed in December 2024, and the final design was approved in February 2025. Due to a family medical emergency, the installation schedule was delayed several months to November 2025. Staff recommends extending the agreement term to January 30, 2026, to allow for full project installation.

BACKGROUND

The walls bordering the Public Works Yard at 545 N. Gertruda Avenue were identified as a "priority area" for public art in the City's Public Art Master Plan. To initiate execution of the project, staff and the Public Art Commission (Commission) solicited interest from thirteen artists. After vetting the artists, three artists were invited to submit site-specific proposals. The Commission evaluated the submissions, and, on October 25, 2023, unanimously recommended artist Ernesto Maranje, and his design "Sea Chatter," for the public art project.

On March 19, 2024, the City Council reviewed the proposals submitted by the three finalists and unanimously agreed with the Commission's recommendation of Ernesto Maranje and directed staff to negotiate an agreement with the artist. On December 3, 2024, the City Council approved and entered into an agreement with the artist.

On February 28, 2025, City Staff approved the final design for the mural, and the artist stated his intent to begin painting the mural on July 7, 2025. But on May 19, 2025, the artist informed the City of a family medical emergency that would preclude his traveling to Redondo Beach in the summer of 2025. On September 19, 2025, the artist notified the City that the family emergency had resolved and that he was ready to begin the installation of the mural.

The artist stated that he could begin work on November 5, 2025. As the term of the original agreement is to expire December 2, 2025, an additional amount of time is required to ensure

complete installation of the mural and recommends January 30, 2026, as a revised expiration date for the term of the agreement.

The City Council's Adopted Budget includes an appropriation of $125,000 from the John Parsons Public Art Fund for the Public Works Mural project. The executed artist Agreement is for $90,000. Additionally, the City's Traffic Engineer has worked with Community Services personnel to identify a cost-effective traffic control plan that will allow the artist to work safely in the public right of way and complete installation of the mural. All project expenditures are expected to fall within the allotted budget.

COORDINATION

The Community Services Department coordinated the preparation of this report with input from the Public Works Department, the City Attorney's Office, and the Financial Services Department. The amendment has been approved as to form by the City Attorney's Office.

FISCAL IMPACT

The City's Adopted Budget includes an appropriation of $125,000 from the John Parsons Public Art Fund for the Public Works Mural project. The executed artist Agreement for the mural includes an installation cost of $90,000, leaving $35,000 available for traffic control services, which are expected to cost less than the remaining funding amount.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- First Amendment - Ernesto Maranje
- Agmt - Ernesto Marjanje (December 3, 2024)
- Final Design for Mural (March 13, 2025)

FIRST AMENDMENT TO THE AGREEMENT FOR COMMISSION OF MURAL FOR DISPLAY IN A PUBLIC PLACE BETWEEN THE CITY OF REDONDO BEACH AND ERNESTO MARANJE

THIS FIRST AMENDMENT TO THE AGREEMENT FOR COMMISSION OF MURAL FOR DISPLAY IN A PUBLIC PLACE ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Ernesto Maranje, an individual (the "Artist").

WHEREAS, on December 3, 2024, the City and Artist entered into the Agreement for Commission of Mural for Display in a Public Place (the "Agreement"); and

WHEREAS, on May 19, 2025, the Artist notified the City that a postponement in performance of the Agreement was necessary due to a family medical emergency; and

WHEREAS, on September 19, 2025, the Artist notified the City that he was able to resume work on the Project; and

WHEREAS, pursuant to Article 5, Section 5.1.1 of the Agreement, the term expires December 2, 2025; and

WHEREAS, the Artist and the City desire to extend the Agreement term to January 30, 2026.

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. **TERM AND TERMINATION**. Article 5, Section 5.1.1 of the Agreement, is hereby amended to extend the term of the Agreement through January 30, 2026, unless otherwise terminated earlier in accordance with the provisions of the Agreement.

2. **SCHEDULE OF PERFORMANCE.** Article 6, Section 6.1 of the Agreement, is amended to revise the Project schedule as follows:

Phase	**Completion Date**
Finalize Design	March 31, 2025
Installation	December 31, 2025
Documentation and Dedication	January 30, 2026

3. **INSURANCE REQUIREMENTS FOR ARTIST**. Exhibit "B" of the Agreement is hereby amended to add Exhibit "B-1", which sets forth revised minimum insurance requirements for the Artist, including specifying a general aggregate limit of $4,000,000 and permitting the use of umbrella liability coverage to supplement the required general liability limits. Exhibit "B-1" is attached hereto and incorporated by

this reference. Artist shall comply with the insurance requirements described in Exhibit “B-1”.

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

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 21st day of October, 2025.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A Light, Mayor

ERNESTO MARANJE,
an individual

DocuSigned by:
By: _____
0093EA92B2724A3...
Name: Ernesto Maranje
Title: Artist / principal

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT B-1

INSURANCE REQUIREMENTS

Without limiting Artist's indemnification obligations under this Agreement, Artist 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 work hereunder by the Artist, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage {occurrence form CG 0001). Insurance Services Office form number CA 0001 {Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Artist shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The $4,000,000 general aggregate limit shall apply separately to this project. An umbrella policy may be used to provide additional liability coverage, so long as the combined General Liability coverage (General Liability and umbrella) is at least $2,000,000 per occurrence.

General Aggregate: $4,000,000 per occurrence for bodily injury, personal injury, and property damage. The General Aggregate limit shall apply separately.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer’s Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Artist shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Artist. General liability coverage can be provided in the form of an endorsement to the Artist's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Artist.

For any claims related to this project, the Artist's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Artist's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Artist's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Artist shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City

approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Artist shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Artist acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

AGREEMENT FOR COMMISSION OF MURAL FOR DISPLAY IN A PUBLIC PLACE

THIS AGREEMENT FOR COMMISSION OF MURAL FOR DISPLAY IN A PUBLIC PLACE is made and entered into this 3rd day of December, 2024 (“Effective Date”), by and between the City of Redondo Beach, a chartered municipal corporation (the "City"), and Ernesto Maranje, an individual (the “Artist”).

WHEREAS, the City seeks to commission the creation of a mural (the “Mural”) at the City’s Public Works Yard, which is located at 545 N. Gertruda Avenue, Redondo Beach, California, 90277;

WHEREAS, the City Council of the City of Redondo Beach ("City Council”) has recognized the value of public art in enhancing the City’s environment, engendering community pride, and improving residents' quality of life;

WHEREAS, on May 16, 2023, the City published a request for proposals for artists to submit proposed designs for the Project, as defined in Section 1.2, which includes all components related to the design, fabrication, and installation of the Mural at the Site, in conformance with the specifications depicted in Exhibit A attached hereto;

WHEREAS, on July 26, 2023, the Public Art Commission reviewed three submissions and selected the Artist’s Mural, titled "Sea Chatter," recommending it to the City Council for approval;

WHEREAS, on March 19, 2024, the City Council reviewed the proposals from the three finalists and unanimously agreed with the Commission’s recommendation of Ernesto Maranje, directing staff to finalize an agreement with the Artist;

WHEREAS, the City has allocated $90.000 in funds from the John Parsons Public Art Fund for the Project;

WHEREAS, the City has determined that the Artist has the necessary qualifications, and both parties desire to execute this Agreement to complete the Project;

WHEREAS, the Artist is committed to creating a Mural that adheres to the Public Art Commission’s guidelines while also capturing and reflecting the cultural and environmental character of the City;

WHEREAS, the City intends for the Mural to enrich the visual landscape of the area, engage the community, and enhance the cultural experience within the public space it occupies; and

WHEREAS, the City and the Artist desire to enter into this Agreement to allow the Artist to complete the Project.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree as follows:

ARTICLE 1. DEFINITIONS

1.1 Site: The term "Site" refers to the City's Public Works Yard located at 545 N. Gertruda Avenue, Redondo Beach, California, 90277, where the Mural titled "Sea Chatter" will be installed.

1.2 Project: The term "Project" shall encompass the comprehensive scope of activities commissioned by the City, including the design, fabrication, and installation of the Mural titled "Sea Chatter", located at the Site specified in 1.1. This definition encompasses all activities, documentations, and any additional efforts to complete the Mural, as outlined in Exhibit A.

1.3 Project Manager: The "Project Manager" is the City-designated individual who will oversee the administration of this Agreement and serve as the primary liaison between the City and the Artist.

ARTICLE 2. ARTIST'S DUTIES

2.1 The Artist shall complete the Project, ensuring that the Mural and all related services are performed in a professional manner and in strict compliance with all terms and conditions of this Agreement.

2.2 The Artist shall prepare the Site's surface for the Mural as part of the Project's initial phase, applying a primer before starting the Mural, and upon completion, apply an anti-graffiti sealant to protect the Mural.

2.3 The Artist acknowledges that his/her unique skill and creativity are central to the Agreement and agrees not to subcontract the artistic or creative aspects of the Project without the City's express written consent. The Artist shall not use third-party contractors to complete the work without the prior written approval of the City designated Project Manager. Any approved subcontracting or delegation shall not relieve the Artist of any obligations or liabilities under this Agreement.

2.4 The Artist shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in the Project that are inconsistent with the agreed-upon artistic vision or specifications.

2.5 The Artist shall provide monthly progress reports and/or deliverables to the Project Manager in a manner acceptable to the City.

2.6 The Artist must manage and complete the Project within the allocated budget of 90,000 inclusive of all materials, labor, and associated costs.

2.7 Upon the Project's completion, the Artist shall ensure the Site is left clean and clear of equipment, surplus materials, and debris to the City's satisfaction.

2.8 The Artist shall submit in writing any significant changes to the Project's scope, design, color, size, material, utility, support requirements, texture, or location for the

City and Commission's review and approval.

2.9 The Artist shall perform services as outlined in Exhibit A, retaining artistic control within the constraints outlined therein.

2.10 Should the City request, in writing, revisions to the work, additional tasks beyond the scope in Exhibit A, or other modifications, the Artist may agree to undertake these changes. Any agreed-upon modifications will result in an amendment to this Agreement.

2.11 In the event that the Artist does not agree to requested modifications by the City, and a mutual resolution cannot be achieved, the City reserves the right, at its sole discretion, to terminate this Agreement and seek another artist to complete or modify the work.

ARTICLE 3. CITY'S DUTIES

3.1 The City shall remit payment to the Artist as outlined in Article 4, following satisfactory receipt and approval of the Artist's completion of each phase of the Project, as detailed in the payment schedule.

3.2 The City reserves the right to review and approve the Artist's progress on a percentage of completion basis. Payment may be adjusted or withheld for any work that does not meet the quality or timeframe agreed upon.

3.3 The City will provide necessary support to facilitate the Artist's work as described in this Agreement, which includes, but is not limited to, timely reviews and approvals as required under Section 2.8 for any proposed significant changes to the Project.

ARTICLE 4. PAYMENT SCHEDULE

4.1 The City agrees to pay the Artist a total sum of $90,000 for the successful completion of the Project. This sum covers all materials, labor, and incidental expenses required for the design, fabrication, and installation of the Mural, as well as any other tasks identified as part of the Project scope. The total cost to the City shall not exceed this agreed amount. Payments to the Artist will be disbursed in accordance with the schedule outlined in Section 4.2.

4.2 The City will pay the Artist as follows.

4.2.1 An initial payment of 25% of the total Project cost will be paid to the Artist within 30 days following the City's receipt and approval of the completed Project design, facilitating the transition to the Mural creation phase and providing the funds for supplies necessary to begin the Project.

4.2.2 A further payment of 60% of the total Project cost will be issued to the Artist within 30 days of the City's approval of the completed Project.

4.2.3 A final payment of 15% of the total Project cost will be made to the Artist within 30 days upon submission of all documentation required by the City and Artist's participation in the dedication ceremony of the Mural, if requested by the City.

4.2.4 Notwithstanding the above, should the Artist fail to complete the Project, the City reserves the right to invoke the remedies outlined in Section 5.2 of this Agreement, which includes, but is not limited to refund of payments received by the Artist.

4.3 The services to be required of the Artist under this Agreement shall be completed in accordance with the schedule for completion outlined in Article 6, provided that such time limits may be extended or otherwise modified by written agreement between the Artist and the City.

4.4 The Artist is responsible for all transportation and storage costs for any equipment, supplies, and materials related to this Project.

4.5 Should the Artist delay the completion of the Project beyond the agreed-upon timeline due to controllable factors, the City may enforce liquidated damages of $100 per day for such delay. The City shall have the right to deduct such damages from any payments due to the Artist under this Agreement. If no further payments are due, the Artist shall be invoiced for the total amount of the liquidated damages, which shall be payable to the City within thirty (30) days of receipt of such invoice. In the event of a breach due to such delays, and if the City is unwilling to grant an extension, the City will have no additional financial obligations to the Artist, and may terminate this Agreement in accordance with Article 5.

4.6 If the Artist incurs costs in excess of $90,000, the Artist shall pay such excess from the Artist's own funds unless the Artist previously obtained written approval for such costs from the City.

ARTICLE 5. TERM AND TERMINATION

5.1 Term

5.1.1 This Agreement commences on the Effective Date and will expire on December 2, 2025 unless otherwise terminated herein. Extensions of the Agreement duration may be agreed upon by both parties, subject to a written amendment to this Agreement.

5.1.2 Should the Artist encounter force majeure or other unforeseen circumstances that prevent timely performance, the City may grant a reasonable extension for completion. In such case, obligations under this contract will be temporarily suspended during such events, with both parties committed to promptly resuming his/her responsibilities once the events have concluded. These circumstances will not be considered a breach of the contract. For the purposes of this Agreement, force majeure shall mean any unforeseeable

circumstance which is beyond the control of a Party, or any unavoidable event, even if foreseeable, as a result of which such Party is unable to perform its obligations, in whole or in part, under this Agreement. This includes, but is not limited to, acts of God, natural disasters (such as floods, hurricanes, and earthquakes), wars, civil unrest, terrorist acts, strikes, laws or governmental orders, epidemics.

5.2 Termination. Should the Artist fail to perform pursuant to the terms of this Agreement, the City, in its sole discretion, shall have the right to terminate this Agreement by giving written notice of termination.

5.2.1 Notice of Termination. Upon receipt of notice of termination under this Article, the Artist shall, as directed by the City within the notice:

a. Reimburse the City for all monies paid to that time to the Artist within thirty (30) days of the City's written request for such refund; and/or

b. Immediately transfer and deliver the Mural in progress so the City can complete the Project, or cause the Project to be completed by another person or entity.

5.3 Set-Off. If any monies were due to the Artist at the time of termination of this Agreement, the City may use those monies to set off any expenses it may incur in completing or removing the Project.

5.4 Other Remedies. Notwithstanding the foregoing sections, the Artist will not be relieved of liability to the City for the Artist's breach of this Agreement, and those sections do not preclude the City from seeking damages or any other remedies available to the City.

ARTICLE 6. SCHEDULE OF PERFORMANCE

6.1 Artist shall complete the Project in accordance with the following schedule.

Phase	Completion Date
Finalize Design	January 31, 2025
Installation	September 30, 2025
Documentation and Dedication	October 31, 2025

6.2 Either party may propose modifications to the Project completion dates. Any such proposals shall be in writing and be agreed to by the Artist and Project Manager.

6.3 Notwithstanding any proposals under consideration, the Artist shall continue to perform his/her duties until any new dates are formally agreed upon and in writing.

ARTICLE 7. ARTIST'S REPRESENTATIONS AND WARRANTIES

7.1 Warranties of Title

7.1.1 The Artist represents and warrants that:

a. The Mural is solely the result of the artistic effort of the Artist;
b. Except as otherwise previously disclosed in writing to the City, the Mural design is unique and original and does not infringe upon any copyright or the rights of any person;
c. The Mural design has not been offered for or accepted for sale elsewhere;
d. The Artist has not sold, assigned, transferred, licensed, granted, encumbered or utilized the Mural design or any element thereof or any copyright related thereto which may affect or impair the rights granted pursuant to this Agreement;
e. The Mural design is free and clear of any liens from any source whatsoever.
f. The Mural design created or performed by the Artist under this Agreement, whether created by the Artist alone or in collaboration with others, shall be wholly original with the Artist and shall not infringe upon or violate the rights of any third party.

7.2 Guarantee of Material and Workmanship

7.2.1 The Artist guarantees that the Mural, including all materials and workmanship, will be free from faults for a period of one (1) year following the installation and the City's final acceptance of the work.

7.2.2 In the event that faults in materials or workmanship are discovered during this period, the Artist shall, at no additional cost to the City, repair or replace the faulty materials or rectify the deficient workmanship to the satisfaction of the City.

7.2.3 This guarantee applies exclusively to the work directly executed by the Artist or under the Artist's direct supervision and does not extend to any materials or workmanship pertaining to the underlying structure or related projects not under the Artist's purview.

7.2.4 The Artist shall deliver the Mural to the City free of any liens arising from the Artist's work.

7.3 Authority

7.3.1 The Artist has the full power to enter into and perform this Agreement and to make the grant of rights contained in this Agreement.

7.3.2 These representations and warranties shall survive the termination or expiration of this Agreement.

7.3.3 All services performed hereunder shall be performed in accordance with all applicable laws, regulations, and standards and will be carried out with due care, skill, and diligence.

ARTICLE 8. WAIVER OF ARTIST'S RIGHTS

8.1 As a crucial part of the compensation received under this Agreement, the Artist irrevocably waives any and all rights that they may have concerning the Mural and any other works of art produced under the terms of this Agreement. This waiver extends to rights under the Visual Artists Rights Act of 1990 (17 U.S.C. §§ 106A and 113(d)), the California Art Preservation Act (Cal. Civil Code § 987 et seq.), and any comparable local, state, federal, or international laws that confer similar rights, including any moral rights that protect the integrity of works of art. The Artist acknowledges that the work performed under this Agreement constitutes a "Work Made for Hire" as defined in 17 U.S.C. § 101. This waiver specifically includes the Artist's rights of attribution and integrity as delineated in the Visual Artists Rights Act (17 U.S.C §§ 106A and 113(d)), the California Art Preservation Act (Cal. Civil Code §§ 987 and 989), and any analogous rights under U.S. federal or state law or under the laws of any other jurisdiction. Consequently, the City holds the unrestricted right to alter, modify, destruct, remove, relocate, move, replace, transport, repair, or restore the Mural, and such actions may be undertaken by the City or its agents without any obligation to consult with or obtain consent from the Artist.

ARTICLE 9. COPYRIGHT

9.1 The Artist is responsible for ensuring that all aspects of the work and services performed under this Agreement comply fully with applicable intellectual property laws of the United States, including but not limited to patents, trademarks, and copyrights. The Artist guarantees that the work will not infringe on any third-party intellectual property rights and shall secure all necessary permissions, licenses, and releases required for any such protected intellectual property employed in the execution of the Project at the Artist's own cost. Any proprietary materials, processes, or methods used by the Artist will be transparently disclosed in the project documentation.

ARTICLE 10. INDEMNIFICATION

10.1 Indemnity. To the maximum extent permitted by law and unless otherwise provided herein, Artist hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs

and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Artist's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Artist's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Artist or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Artist because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Artist, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

c. Risk of Loss. Notwithstanding the foregoing, the Artist shall not be responsible or held liable for any damage to the Mural, its surfaces or environment caused by the City's personnel, its employees, visitors or others that are beyond the reasonable control of the Artist.

ARTICLE 11. INTELLECTUAL PROPERTY AND REPRODUCTION RIGHTS

11.1 Unique Reproduction Rights: The Artist shall not replicate the final Mural design or allow others to do so without the City's explicit consent. This does not restrict the Artist from creating new works in his/her own style.

11.2 Acknowledgment in Public Showings: The Artist shall credit the City when displaying reproductions, stating "Commissioned by the City of Redondo Beach."

11.3 Copyright Registration: The Artist may register the Mural's copyright at his/her own cost.

11.4 Commercial Reproductions by the City: If the City wishes to reproduce the Mural for commercial use, a separate agreement will be negotiated to detail licensing and royalties.

11.5 Third-Party Infringement: The City is not liable for copyright infringements by third parties nor responsible for protecting the Artist's intellectual property rights.

ARTICLE 12. SITE ALTERATIONS AND MURAL REMOVAL

12.1 The City may, at its discretion, remove, relocate, or destroy the Mural.

ARTICLE 13. INSURANCE

13.1 Artist shall comply with the insurance requirements set forth in Exhibit B. Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

ARTICLE 14. CIVIL RIGHTS AND EQUAL OPPORTUNITY

14.1 Every supplier of materials and services and all artists doing business with the City shall be in compliance with the applicable provisions of the Americans with Disabilities Act of 1990, and shall be an equal opportunity employer as defined by Title VII of the Civil Rights Act of 1964 and including the California Fair Employment and Housing Act of 1980. As such, Artist shall not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, age, sexual orientation, sex, or any other legally protected characteristic with respect to hiring, application for employment, tenure or terms and conditions of employment. Artist agrees to abide by all of the foregoing statutes, regulations, ordinances and resolutions.

ARTICLE 15. MISCELLANEOUS

15.1 Records/Inspection: The Artist must allow the City or its authorized agents to review any relevant financial and Project records regarding this Agreement when asked. These reviews can happen during normal business hours and will be as often as the City needs. The Artist also agrees to keep these records in electronic form for four years after the end of this Agreement, or longer if there are ongoing legal or audit issues.

15.2 Independent Contractor: Artist acknowledges, represents and warrants that Artist is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Artist shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Artist's sole responsibility.

15.3 Conflict of Interest: Artist acknowledges, represents and warrants that Artist shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Artist further acknowledges, represents and warrants that Artist has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Artist acknowledges that in the event that Artist shall be found by any

judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

15.4 Compliance with Laws: Artist shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.

15.5 Notices: Written notices to City and Artist shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Artist: Ernesto Maranje
8980 NW 25th Ct.
Sunrise, FL 33322

City: City of Redondo Beach
Community Services Department
Cultural Arts Division, c/o Redondo Beach Performing Arts Center
1935 Manhattan Beach Blvd.
Redondo Beach, CA 90278
Attention: Gary Margolis

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. 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.

15.6 Non-Liability of Officials and Employees of the City: No official or employee of the City shall be personally liable for any default or liability under this Agreement.

15.7 Limitations upon Subcontracting and Assignment: The Artist shall not assign or subcontract any part of this Agreement without the prior written approval of the City.

15.8 Exhibits: All exhibits hereto are made a part hereof and incorporated herein by reference.

15.9 Integration: This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Artist and City may be used to assist in the interpretation of the exhibits to this Agreement.

15.10 Conflicting Provisions: In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Artist.

15.11 Amendment: This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

15.12 Non-Exclusivity: Notwithstanding any provision herein to the contrary, the services provided by Artist hereunder shall be non-exclusive, and City reserves the right to employ other artists in connection with the Project.

15.13 Time of Essence: Time is of the essence of this Agreement.

15.14 Confidentiality: To the extent permissible under law, Artist shall keep confidential its obligations hereunder and the information acquired during the performance of the Project or services hereunder.

15.15 Governing Law and Venue: This Agreement shall be construed in accordance with the laws of the State of California, and any litigation shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

15.16 Attorneys' Fees: If either party brings any action to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

15.17 Claims: Any claim by Artist against City hereunder shall be subject to Government Code §§ 800 *et seq*. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.

15.18 Interpretation: Both parties acknowledge they had the opportunity to seek legal advice during the negotiation of this Agreement.

15.19 Severance: In the event a court of competent jurisdiction determines that any provision of this Agreement is unenforceable, such ruling shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be severed, and all remaining provisions shall remain enforceable.

15.20 Authority: City and the Artist warrant and represent that they are duly authorized to enter into and execute this Agreement.

15.21 Waiver: The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

15.22 Survivability: Articles 7, 8 ,9, 10, 11, and 12 and sections 15.1 and 15.3 shall survive expiration or termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 3rd day of December, 2024.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...

James A. Light, Mayor

ARTIST,
an individual

DocuSigned by:
0093EA92B2724A3...

By: _____
Name: Ernesto Maranje
Title: Artist / principal

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT A

PROPOSAL

The proposal is attached.

“SEA CHATTER”

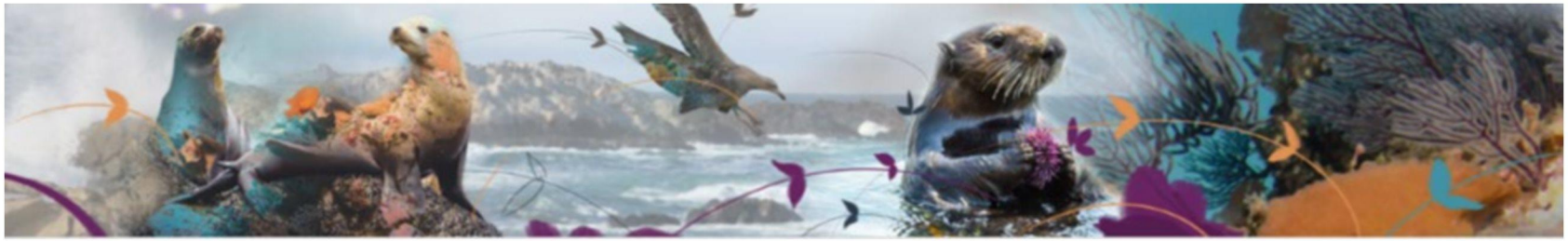
By Ernesto Maranje

A Public Art Mural

For the City of Redondo Beach, CA

The Site

The Design



N. Gertruda Ave.

N. Catalina Ave.

Description of Imagery & Process

Title: *Sea Chatter*

The mural depicts local marine wildlife that help bring "The Sounds of Redondo" theme to life.

The mural will make use of the building's long structure by telling a story about the animals' lives above and below the water:

- It starts with California sea lions on the rocks, above water →
- A seagull and otter guide the viewer into the water →
- Another sea lion along with a blue shark, blue whale and schools of fish draw the eye under water →
- And lastly, viewers are left completely submerged in the water with a whale shark.

California sea lions are prominently featured. These are the focus of the design because of how vocal they are. After some research, I learned these mammals are found all over Redondo Beach Pier and King Harbor barking and making noise as residents look on. Some in the community love them, while others seem to think they're a nuisance, but for better or for worse, it looks like they are an unofficial mascot of the community. With their long, sleek bodies and cute faces, they make for fun painting subjects. And with their ubiquitous presence in the community, they will resonate with residents.

Other smaller beach critters, like an **otter** and a **seagull** are pictured along with some **artificial reef**. I learned southern California has lots of artificial and rock reefs since upwelling and strong cold coastal currents make waters too cold for natural reefs.

I also placed smaller animals within and around larger animals to add depth and interest to the design. For instance, a smaller **blue whale**, **blue shark**, and **a school of fish** are swimming around the larger sea lion. I often paint these smaller vignettes as a "world-within-a-world" for viewers to find.

The piece will end with a **whale shark**. These creatures aren't seen as often, but their beautiful pattern make them a special way to end the design in the underwater section.

Color palette: Calming, organic tones will speak to the area's natural surroundings, while vibrant colors will add warmth and interest. A mixture of transparent and opaque colors will bring movement to the piece.

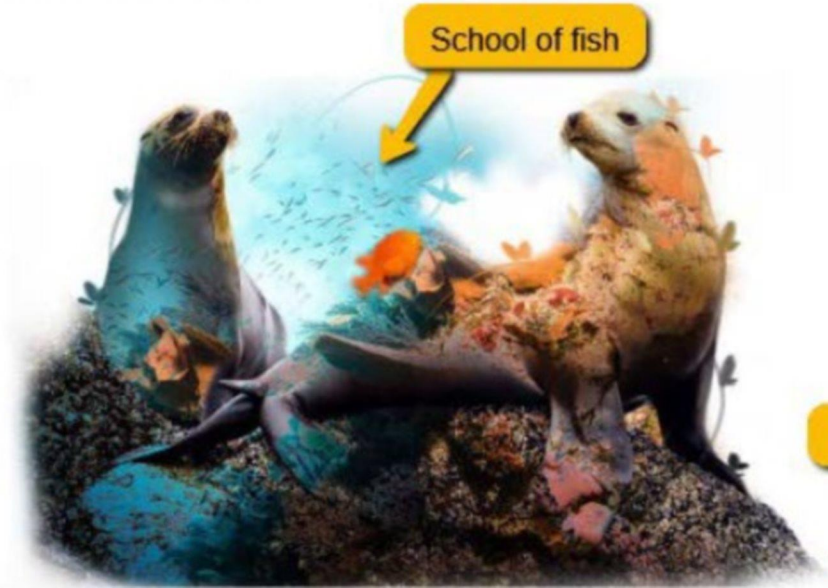
Objective: Overall, the piece will be painted in my style, which includes lots of smaller animals, leaves, and other organic elements in a dreamy, whimsical style.

I hope the design will resonate with residents and excite visitors. I also always hope to remind viewers of our connection to nature and inspire wonder in the area's natural surroundings.

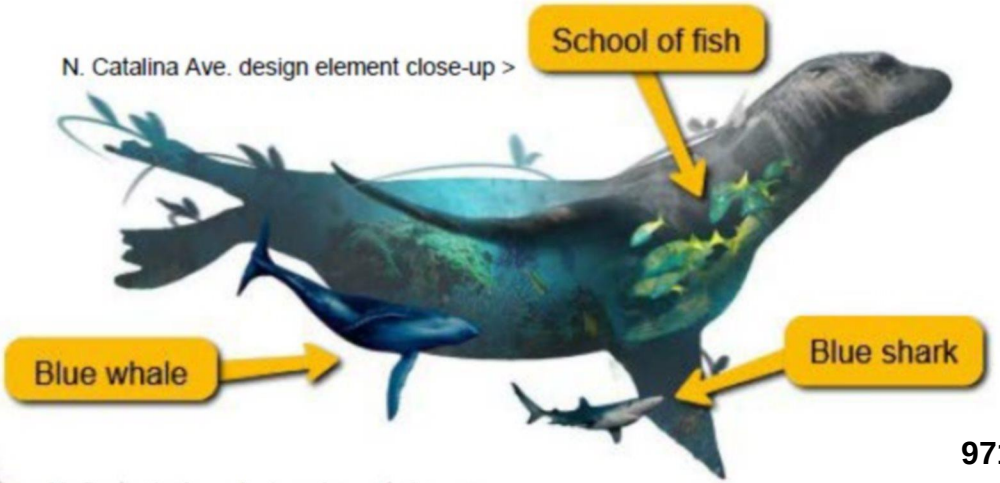
Entire design, labeled

N. Gertruda Ave. design ^

N. Catalina Ave. design ^



N. Catalina Ave. design element close-up >



< N. Gertruda Ave. design element close-up

Changes requested by the Public Art Commission

- Brighten up the sky and the water.
- Remove the otter because otters are not found in the waters near Redondo Beach. (The artist replaced it with a humpback whale.)
- Remove the blue shark and the blue whale swimming next to the seal because they are not drawn to scale.
- Make the signature block smaller.

Revised Design

With the changes requested by the Public Art Commission

N. Gertruda Ave.

N. Catalina Ave.

Final PAC Recommendations

- Put back the larger reef.
- Put back the detail on the seagull.

Materials & Methods

Paint, primer & varnish:

I have painted close to 100 murals in nearly every climate, including many murals in sunny and salty beach climates like Redondo Beach, so I know my application method lasts for years to come.

1. **Step:** Prime
   Step description: The entire surface area will be primed using Kilz 2. This water-based primer will ensure anything unsightly will be covered right from the beginning, and it will also ensure the next step of paint has something to stick to.
   Product: Kilz 2 All-Purpose Interior/Exterior Primer
   Product description: *"KILZ 2® ALL-PURPOSE Primer (Previously KILZ 2 Latex) is a fast drying, water-based, multi-surface primer-sealer-stainblocker with excellent adhesion, mildew resistance, sealing properties and very mild odor. KILZ 2 ALL-PURPOSE Primer blocks medium stains including minor water stains, rust, grease, ink, pencil and felt marker. Enhanced hiding makes it ideal for changing colors and helps lessen the number of coats of paint required."*

2. **Step:** Paint
   Step description: Most of the mural will be painted with Behr's Paint + Primer, a great quality exterior, flat medium. This paint is water-based, very durable, and easy to layer on top of the Kilz 2.
   Product: Behr Premium Exterior Flat Paint + Primer
   Product description: *"100% Acrylic, Low VOC Formula. Long-lasting Finish That Resists Moisture, Fading & Stains. Excellent Hide. Easy to Apply. All Climate Protection."*

Materials & Methods

3. **Step:** Paint
   Step description: Montana Gold spray paint will be used for detailing. This is a high-quality, water based spray.
   Product: Montana Gold Acrylic Professional Spray Paint
   Product description: *"This acrylic spray paint from Montana works on a variety of surfaces including glass, wood, canvas, concrete, plastic and metal. The specially developed low-pressure system guarantees maximum accuracy to meet the highest requirements while giving professional results! A high-covering and quick-drying acrylic lacquer, Montana GOLD allows for a new level of ease and control when painting with spray cans, with no cracking or color bleaching."*

4. **Step:** Varnish
   Step description: This varnish top-coat will be applied on the last day as the final step. It protects against UV, the elements, and graffiti in one step, which is unique. It's widely used in the public art/street art world, for boats, and other marine environments. If graffiti occurs, the siloxane varnish allows for it to be hand or power washed away without removing the varnish itself.

Materials & Methods

Step 4: Anti-graffiti / UV Protection (cont.)

Product: Sherwin Williams anti-graffiti/UV coating

Product description: *"This unique siloxane product creates a non-stick surface that repels graffiti from paint, paint spray cans and permanent markers. Unlike other products, this single-component semi-gloss coating doesn't require solvent cleaning or abrasives to remove graffiti. Simple pressure washing or hand-wiping with water does the job easily and economically – at a 25 to 40 percent savings compared to existing methods of abrasive cleaning and repainting. And, unlike conventional anti-graffiti coatings that erode away after a few cleanings, Sherwin-Williams Anti-Graffiti Coating allows graffiti to be removed countless times without reapplication. Brush, roll or spray it directly to bare brick and concrete, or previously painted surfaces like steel or wood. No mixing is needed. It applies in one coat and dries quickly, with excellent adhesion properties and high resistance to chalking, fading and peeling. The low VOC formula meets stringent environmental regulations. Extremely weather-resistant, it's ideal for graffiti-prone areas like transit stations, bridges, overpasses, rail cars, retaining walls, municipal buildings, fences, schools, shopping plazas and public restrooms."*

Materials List

Description	Qty
Paint	
Primer (Kilz 2)	10
Exterior paint (Behr Exterior Flat Paint + Primer)	50
Spray paint (Montana Gold Acrylic Professional)	100
Supplies	
Brushes	50
Trays	50
Drop cloths	10
Tape	5
Gloves	10
Rags	5
Ladders	2
Buckets	5
Mixing cups	50
Mixing cup lids	50
Mixing stick packs	5
Varnish	
Varnish/protective coating	10
Spray machine	1
Spray machine hoses	2
Spray machine tips/joints	2
Extension cords	2
Protective materials for surfaces	10
Equipment rental	
19-ft scissor lift rental (1 month)	1

BUDGET

ITEM	AMOUNT	ITEM	AMOUNT
Primer	$500.00	Design	$13,000.00
Exterior paint	$3,000.00	Artist's Labor	$35,000.00
Spray Paint & Caps	$2,000.00	3 Assistants' Labor	$22,000.00
Protective Coating	$1,500.00	Contingency	$5,000.00
Painting Supplies	$3,000.00		
Scissor Lift Rental (1 month)	$2,500.00		
Site Protection	$500.00		
Hazardous Waste Removal	$2,000.00	TOTAL	$90,000

NOTE: Traffic control during installation will be handled under a separate contract managed by the City's Public Works Department.

EXHIBIT B

INSURANCE REQUIREMENTS

Without limiting Artist's indemnification obligations under this Agreement, Artist 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 work hereunder by the Artist, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

Artist shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Artist shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Artist. General liability coverage can be provided in the form of an endorsement to the Artist's insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Artist.

For any claims related to this project, the Artist's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Artist's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Artist's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Artist shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Artist shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Artist acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 06/03/2024

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

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

PRODUCER GreatFlorida Insurance of Plantation 8320 W. Sunrise Blvd. Suite 114 Plantation FL 33322	**CONTACT NAME:** William Curry **PHONE (A/C, No, Ext):** (954) 473-4110 **FAX (A/C, No):** **E-MAIL ADDRESS:** charlie.heer@greatflorida.com
INSURED Maranje LLC 8980 NW 25th Ct. Sunrise FL 33322	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** **INSURER A :** Penn-America Insurance — 32859 **INSURER B :** **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:	y	Y	PAV0497896	04/13/2024	04/13/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 100,000 $ 5,000 $ 2,000,000 $ 2,000,000 $ 2,000,000
	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY			M00-0069536-00	05/01/2024	05/01/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 300,000CSL $ $ $
	[ ] **UMBRELLA LIAB** [ ] OCCUR [ ] **EXCESS LIAB** [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					[ ] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $

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

.General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Artist. General liability coverage can be provided in the form of an endorsement to the Artist's insurance, or as a separate owner's policy.

.Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Artist.

CERTIFICATE HOLDER

The City of Redondo Beach,
its officers, elected and appointed officials, employees and volunteers

415 Diamond Street
Redondo Beach

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN

AUTHORIZED REPRESENTATIVE

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AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
GreatFlorida Insurance of Plantation	Maranje LLC
POLICY NUMBER	
CARRIER / NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability Insurance

.For any claims related to this project, the Artist's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Artist's insurance and shall not contribute with it.
Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
.Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.
.Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project.

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ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 08/19/2024

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

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

PRODUCER	CONTACT NAME: Commercial Team	
Insurance Medics 1797 N University Dr Plantation FL 33322	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS: commercial@insurancemedics.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : National Liability & Fire Insurance Company	20052
INSURED MARANJE, LLC 8980 Northwest 25th Court Sunrise FL 33322	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	DED ☐ RETENTION $							$
A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		N9WC088459	06/04/2024	06/04/2025	☐ PER STATUTE ☐ OTH-ER	
							E.L. EACH ACCIDENT	$ 100,000
							E.L. DISEASE - EA EMPLOYEE	$ 100,000
							E.L. DISEASE - POLICY LIMIT	$ 500,000

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

CERTIFICATE HOLDER

The City of Redondo Beach, its officers, elected and appointed officials, employees and volunteers
415 Diamond Street
Redondo Beach CA 90277

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Husam Mohammed

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Insured's Name Maranje LLC

Policy # PAV0497896

UMR # _____
(Lloyd's Policies Only)

Policy Dates From 04/13/2024 To 04/13/2025

Surplus Lines Agents Name Ryan Hensley

Surplus Lines Agents Address 301 Yamato Rd, Ste 2100 Boca Raton FL 33431

Surplus Lines Agents License # W055975

Producing Agent's Name CHRISTOPHER LEE. HEER

Producing Agent's Physical Address 8320 W. Sunrise Blvd. Suite 114 , Fort Lauderdale, FL 33322

"THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER."

"SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY."

Policy Premium	$50.00	Policy Fee	$0.00
Inspection Fee	$0.00	Provider Fee	$0.00
Tax	$2.47	Service Fee	$0.03
FHCF Assessment	$0.00	Citizen's Assessment	$0.00
EMPA Surcharge	$0.00		

Surplus Lines Agent's Countersignature Ryan Hensley

☐ **"THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."**

☒ **"THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."**

STANDARD CHANGE ENDORSEMENT NO 1

Endorsement effective	Named Insured
07/03/2024 12:01am standard time	Maranje LLC
Policy No.	**Countersigned by**
PAV0497896	Bryan Hensley

☐ In consideration of the premium charged t s understood and agreed that

☒ In consideration of an additional prem um of 50.00 t s understood and agreed that

☐ In consideration of a return premium of_____ t s understood and agreed that

_____ 1. Premium Basis	_____ 8. Name of Insured	___ 14. Mailing Address of the Insured
_____ 2. Rate	_____ 9. Location of Property	___ 15. Description of Property
_____ 3. Premium	_____ 10. Classification Added	___ 16. Coverage
_____ 4. Amount	_____ 11. Classification Deleted	___ 17. Additional Insured Endorsement
_____ 5. Limits of Liability	_____ 12. Classification	___ 18. Endorsement
_____ 6. Inception Date	_____ 13. Mortgagee/Loss	___ 19. Other
_____ 7. Expiration Date	_____ 14. Payee or Contract of Sale	_____

____ is corrected to read as listed on Page 2

____ is amended or changed to read as listed below

_X_ the following form is made a part of the Policy

____ the following form is deleted from the Policy

STANDARD CHANGE ENDORSEMENT NO 1

Endorsement effective	Named Insured
07/03/2024 12:01am standard time	Maranje LLC
Policy No.	**Countersigned by**
PAV0497896	

is corrected to read as listed below (continued from Page 1)

It is hereby understood and agreed that the form CG2013 has been added to the policy effective 7/3/2024 for an AP of $50 not including taxes and fees. Wording is per the below:

The City of Redondo Beach, its officers, elected and appointed officials, employees and volunteers

415 Diamond Street
Redondo Beach, CA 90277

Redondo Beach Mural: *Sea Chatter*

N. Catalina and N. Gertruda Avenues

Design Concept Revisions

March 2025

Ernesto Maranje

Design concept revisions

N. Gertruda Ave:

N. Catalina Ave:

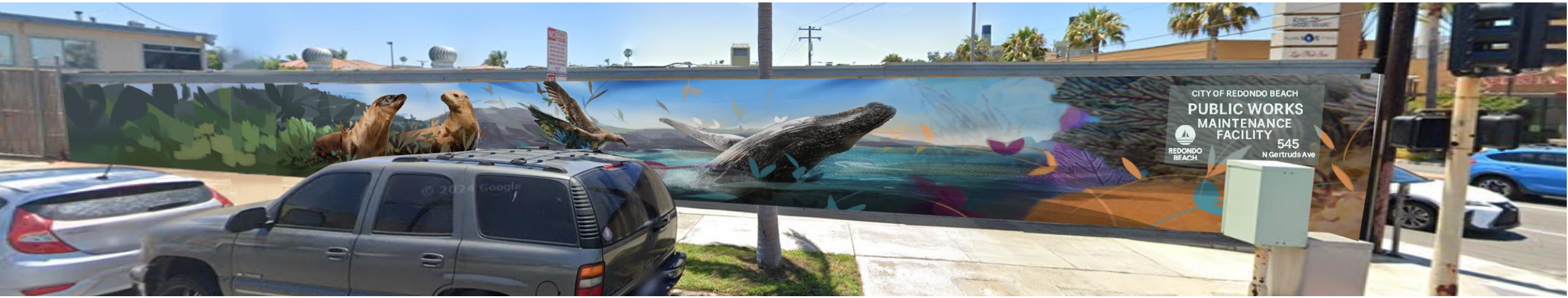
Revisions:

N Gertruda Ave: the detail was re-added to the seagull; signage/address added

N Catalina Ave: The larger reef was put back; signage/address added

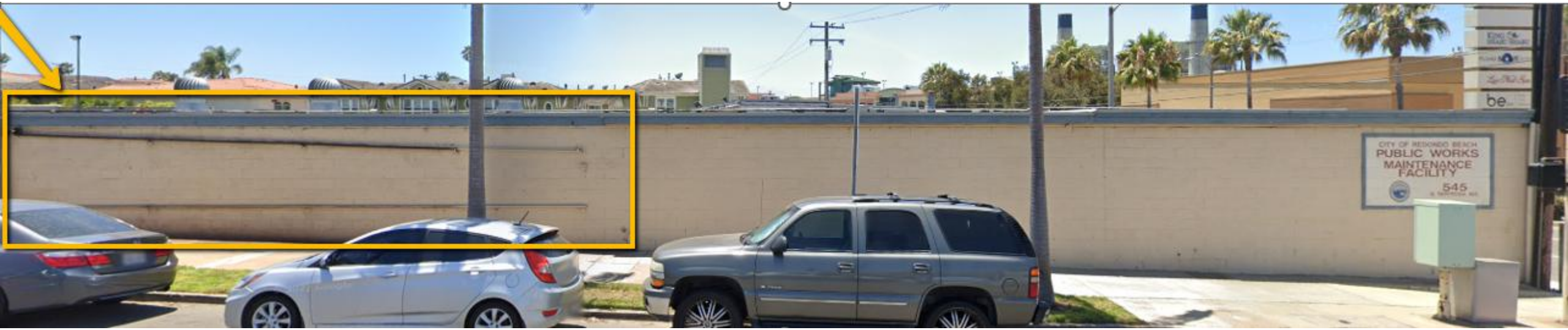
Overall: the design was lightly reworked to be more in Ernesto's style to represent who the final mural will look in real life

N. Gertruda Ave:



N. Catalina Ave:

N. Gertruda Ave:



Gate track considerations: Ernesto will extend the green area behind the seals so a focal point is not in the middle of the gate tracks

N. Gertruda Ave detail:

N. Catalina Ave detail:

N. Gertruda Ave:

N. Catalina Ave:

N. Gertruda Ave:

N. Catalina Ave:

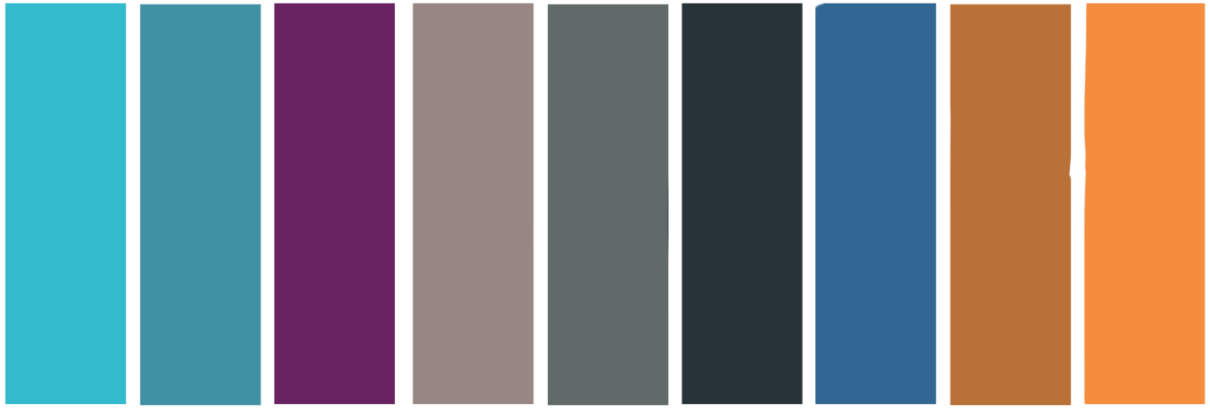
Design concept details

Design revisions & description

- Revisions:
  - N Gertruda Ave: the detail was re-added to the seagull; signage/address added
  - N Catalina Ave: The larger reef was put back; signage/address added
  - Overall: the design was lightly reworked to be more in Ernesto's style to represent who the final mural will look in real life
- Description:
  - It starts with California sea lions on the rocks, above water →
  - A seagull and humpback whale guide the viewer into the water →
  - Another sea lion and a school of fish draw the eye under water →
  - And lastly, viewers are left completely submerged in the water with a whale shark.
- Notes:
  - Tweaks may be added in real life to ensure the design fills the space and looks good from all vantage points.

Color palette

Calming, organic tones will speak to the area's natural surroundings, while vibrant colors will add warmth and interest. A mixture of transparent and opaque colors will bring movement to the piece.



Design concept → mural examples

Erbil, Iraq (2017)

Design concept → finished mural

- The design concept provides a plan for the finished mural, but it won't be an exact copy
  - The design concept provides:
    - Subject matter
    - Composition
    - Color palette
  - The finished mural may:
    - Differ slightly
    - Include more detail
    - Have changes made to accommodate the wall and certain vantage points
- The following slides are examples of past design concepts and their completed murals to better understand Ernesto's design process →

ERNESTO MARANGE 1001

Mockup

Completed mural

Curiosity (2021)

in Miramar, FL

Thank you!

For more information, please contact hello@maranje.com

Visit Maranje.com to learn more

Administrative Report

J.1., **File #** 25-1459 **Meeting Date:** 10/21/2025

TITLE

For eComments and Emails Received from the Public

Administrative Report

L.1., **File #** 25-1434 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDING TITLES 9 AND 3 OF THE REDONDO BEACH MUNICIPAL CODE, AND ADOPTING TITLE 24, PARTS 1 THROUGH 12, OF THE CALIFORNIA BUILDING STANDARDS CODE OF REGULATIONS

INTRODUCE BY TITLE ONLY ORDIANCE NO. 3307-25, AN ORDINANCE OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING BY REFERENCE THE 2025 EDITIONS OF THE CALIFORNIA BUILDING CODE, CALIFORNIA RESIDENTIAL CODE, CALIFORNIA ELECTRICAL CODE, CALIFORNIA PLUMBING CODE, CALIFORNIA MECHANICAL CODE, CALIFORNIA FIRE CODE, CALIFORNIA EXISTING BUILDING CODE, CALIFORNIA GREEN BUILDING STANDARDS CODE, CALIFORNIA ENERGY CODE, CALIFORNIA ADMINISTRATIVE CODE, CALIFORNIA HISTORICAL BUILDING CODE, THE CALIFORNIA REFERENCE STANDARDS CODE, 2024 INTERNATIONAL PROPERTY MAINTENANCE CODE, 2006 UNIFORM SWIMMING POOL, SPA, AND HOT TUB CODE, 1997 UNIFORM HOUSING CODE, AND 1997 UNIFORM CODE FOR ABATEMENT OF DANGEROUS BUILDINGS TOGETHER WITH CERTAIN DELETIONS, ADDITIONS AND AMENDMENTS TO TITLES 3, 5, AND 9 OF THE REDONDO BEACH MUNICIPAL CODE

PROCEDURES:

a. Open the public hearing and take testimony;
b. Close the public hearing; and
c. Introduce Ordinance No. 3307-25 by title only

EXECUTIVE SUMMARY

The California Government Code mandates the City conduct a Public Hearing prior to the adoption of any State Codes. This public hearing initiates the process of adopting the most recent California Building Standards Code of Regulations to update and bring into compliance the City of Redondo Beach's building regulations.

The California Building Standards Commission published the most recent edition of Title 24 of the California Code of Regulations, known as the California Building Standards Code, on July 1, 2025, with an effective date of January 1, 2026. The Triennial Code Adoption Cycle is a routine rule-making process that occurs every three years in which various State agencies adopt building standards based on model codes. State law requires local governments to enforce the California Building Standards Code. Most cities adopt the published Title 24 by reference and must adopt these codes

with any local amendments prior to January 1, 2026.

The California Building Standards Codes includes the 2025 California Building, Residential, Electrical, Mechanical, Plumbing, Energy, Existing and Green Building Codes.

There are amendments to the City of Redondo Beach Municipal Code (RBMC) required in adopting these regulations, including corrections of code section references, administrative codes, fees, and violations. Previous amendments from the 2022 California Building Standards Codes were removed and replaced with references to the 2025 California Building Standards Codes. Residential amendments from the 2022 California Building Standards Codes that remain unchanged have been carried forward into the 2025 California Building Standards Codes and will continue to be carried forward to the 2028 California Building Standards Codes pursuant to Assembly Bill (AB) 130 Housing.

Additionally, changes are required to the RBMC to align with modifications made as part of the 2025 California Fire Code update. It should be noted that the City would retain local fire codes approved in previous adoptions that exceed state restrictions, such as increased requirements for fire sprinklers, restrictions on fireworks in the City, and additional safety features for photovoltaic systems.

BACKGROUND

The State of California adopted the 2025 California Building Standards Codes which now must, in turn, be adopted by reference for each city or county in the state. Significant code changes contained within the California Code of Regulations Title 24 with regard to the regulation of building construction include increasing energy standards and enhanced structural requirements. Local amendments to Titles 3, 5, and 9 of the RBMC correct prior code section references, remove various past amendments, and continue the existing amendments that are identified in Title 9 of the RBMC. Staff has also updated the RBMC to remove provisions that are duplicative of the California Building Codes.

Cities are able to amend certain building and fire standards due to unique climatic, geological, and topographical conditions unique to the jurisdiction if findings of necessity can be made consistent with California Health and Safety Code Sections 17958.5 and 18941.5. Historically, the City of Redondo Beach has adopted the most recently published edition of the California Code of Regulations Title 24 and has amended certain code sections that apply to the unique characteristics and special hazards within the community. Some of the characteristics include, but are not limited to, steep terrain that poses geotechnical challenges, lateral and uplift forces from seismic events, and location of structures, often six feet or less from adjacent structures, making fire spread more likely with local climatic conditions. These local requirements have been carried forward in this Ordinance.

In order to have the new California Code of Regulations Title 24 with amendments recognized as law, the City Council must officially adopt these Codes by Ordinance. Additionally, as required by law, the proposed California Code of Regulations Title 24 with amendments and the proposed adoption of the 2024 International Property Maintenance Code (IPMC), 2006 Uniform Swimming Pool and Hot Tub Code, 1997 Uniform Housing Code, and the 1997 Uniform Code for Abatement of Dangerous Buildings must be considered at a public hearing.

Amendments to the 2025 California Fire Code update the RBMC to have the current references to

the sections in the newest code for all of the existing local restrictions. All existing code amendments would remain in place and are carried forward in Title 3, Chapter 4 of the RBMC. These existing amendments cover topics such as fire alarm systems, fire sprinklers, fireworks, and enhanced lettering on addresses. The amendments maintain the width of roads on private property that allow for Fire Apparatus access and require additional safety features for photovoltaic arrays on roofs. These restrictions allow firefighters access to private roads and build safety features into solar energy systems.

The Building and Fire Code amendments are part of the joint effort by 89 jurisdictions within Los Angeles County to meet local conditions and present similar requirements for vendors who work in the area.

All previous amendments would remain in force, and are identified in Title 9, of the RBMC. The recommended action is consistent with actions taken by other cities which adopt State codes by reference. This agenda item allows for the statutorily mandated public hearing to take place and for the code amendments to be introduced for Council consideration.

COORDINATION

The California Code of Regulations Title 24 code amendments have been developed in collaboration between the Community Development Department and the Fire Department. Regional municipal agencies have been consulted in the process to develop reasonable continuity between other local cities. The draft Ordinance has been reviewed and approved as to form by the City Attorney's Office.

FISCAL IMPACT

The cost for preparing the Building Code adoption is included in the Fiscal Year 2025-26 Annual Budget for the City and is part of each Department's regular work program.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Ord - No. 3307-25 Amending Title 9 Building Code and Title 3 Chapter 4 Fire Prevention Code
- Notice of Public Hearing - October 10, 2025

ORDINANCE NO 3307-25

AN ORDINANCE OF THE CITY OF REDONDO BEACH ADOPTING BY REFERENCE THE 2025 EDITIONS OF THE CALIFORNIA BUILDING CODE, CALIFORNIA RESIDENTIAL CODE, CALIFORNIA ELECTRICAL CODE, CALIFORNIA PLUMBING CODE, CALIFORNIA MECHANICAL CODE, CALIFORNIA FIRE CODE, CALIFORNIA EXISTING BUILDING CODE, CALIFORNIA GREEN BUILDING STANDARDS CODE, CALIFORNIA ENERGY CODE, CALIFORNIA ADMINISTRATIVE CODE, CALIFORNIA HISTORICAL BUILDING CODE, THE CALIFORNIA REFERENCED STANDARDS CODE, 2024 INTERNATIONAL PROPERTY MAINTENANCE CODE, UNIFORM SWIMMING POOL, SPA, AND HOT TUB CODE 2006, 1997 UNIFORM HOUSING CODE, AND 1997 UNIFORM CODE FOR ABATEMENT OF DANGEROUS BUILDINGS TOGETHER WITH CERTAIN DELETIONS, ADDITIONS AND AMENDMENTS TO TITLES 3, 5 AND 9 OF THE REDONDO BEACH MUNICIPAL CODE.

WHEREAS, in accordance with state law, local jurisdictions can incorporate additional regulations that address special circumstances in the community or area provided that they are at least as restrictive as the statewide codes; and

WHEREAS, to ensure compliance with AB 130 the existing 2022 Edition of the California Building Standards Codes amendments associated with Group R occupancies, as listed in Section 310 of the California Building Code, as well as the detached on- and two- family dwellings and townhouses, as listed in the California Residential Code are being carried forward into the 2025 Edition of the California Building Standards Codes; and

WHEREAS, the California Health and Safety Code Sections 17958, 17958.5, and 17958.7 require the governing body of a city, before making any modifications or changes to the California Building Standards Code, to make express findings that such modifications or changes are reasonably necessary because of local climatic, geological or topographical conditions, as documented in Exhibit A; and

WHEREAS, based on the foregoing, the City Council of the City of Redondo Beach does hereby find that the proposed amendments to the 2025 Edition of the California Building Standards Codes are reasonably necessary for reasons of local climatic, geologic, and topographic conditions as set forth in “Exhibit A” of this ordinance; and

WHEREAS, The City Council desires to repeal specified chapters of Title 9 of the Redondo Beach Municipal Code and amended herein with local amendments.

THE CITY COUNCIL OF THE CITY OF REDONDO BEACH DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds that it can be seen with certainty that there is no possibility that the adoption of this Ordinance may have a significant effect on the environment. It is therefore exempt from review under the California Environmental Quality Act pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations (CEQA Guidelines).

SECTION 2. Title 9, Chapter 1, Section 9-1.00 of the Redondo Beach Municipal Code is hereby repealed.

SECTION 3. Title 9, Chapter 1, Section 9-1.101 and Section 9-1.101.1 of the Redondo Beach Municipal Code is amended to read as follows:

"Chapter 1 BUILDING CODE.

9-1.01 Adoption of the 2025 California Building Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled the "2025 California Building Code," including Chapter 33, and **Appendices B, F, G, H, I, J, P & Q** (including Chapter/Section 1, Division 2) therein contained, promulgated and published by the International Code Council and the California Building Standards Commission, one (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as though set forth herein at length, are hereby established and adopted as the rules, regulations, provisions and conditions to be observed and followed in the construction, alteration, improvements, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, demolition, conversion, area and height, of buildings or structures or any appurtenances connected or attached to such buildings or structures in the city; and subject to the additions, deletions and amendments set forth in this chapter, said Code with its Appendices B, F, G, H, I, J, P & Q and the said Standards containing said rules, regulations, standards, provisions and conditions is hereby established and adopted by reference, and the same shall be designated, known and referred to as the "Building Code" of and for the City.

9-1.01.1 Administration.

All administrative sections of the California Administrative Code, California Residential Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Energy Code, California Historical Building Code, California Existing Building Code, California Referenced Standards, 2021 International Swimming Pool and Spa and Hot Tub Code and 2021 International Solar Energy Provisions Code are hereby deleted and replaced by Chapter 1, Division ll of the California Building Code 2025 Edition."

SECTION 4. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.02 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"9-1.02 Permit required.

Section [A], 105.1, Chapter 1 Division II of the California Building Code is hereby amended and shall read as follows:

[A] 105.1 Permits Required. Except as specified in Section [A] 105.2 of this Section, no building or structure regulated by this code shall be erected, constructed, enlarged, altered, repaired, moved, improved, removed, converted, demolished, or change of occupancy of a building or structure, unless a separate permit for each building or structure has first been obtained from the Building Official.

Section [A] 105.2 Work Exempt From Permit, Items 1, 2, 9, of the California Building Code are hereby amended to read as follows.

1. One-story detached accessory buildings used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet (11m^2), when the surface of adjacent grade does not exceed one unit vertical in 10 units horizontal (10-percent slope); the building does not contain electrical, mechanical or plumbing work and the building conforms to the applicable zoning regulations of Title 10 Planning and Zoning of the Municipal Code.

2. Wood fences not exceeding 6 feet (1829mm) in height including concrete or masonry pilasters unless fence is built on slope and retains earth, and masonry and concrete fences that are not over 5 feet (1524mm) in height unless built on a slope or retaining earth.

9. Prefabricated swimming pools accessory to a Group R-3, Occupancy that are less than 18 inches (457.5 mm) deep, do not exceed 5,000 gallons (18927 L) and are installed entirely above ground."

SECTION 5. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.03 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"9-1.03 Fees.

Section [A] 109.2, 109.3, 109.4, and 109.6 of the California Building Code are hereby amended to read as follows:

[A] 109.2 Schedule of permit fees.
Plan review fees, permit fees, investigation fees, penalty and violation fees, and other charges required under this Title shall be as prescribed in the City's Master Fee Schedule, as established and amended by ordinance of the City Council.

[A] 109.3 Building Permit Valuations. The applicant for a permit shall provide an estimated permit value at the time of application. Permit valuations shall include the total value of work, including materials and labor, for which the permit is being issued, such as electrical, gas, mechanical, plumbing equipment, fire extinguishing, and permanent systems. If in the opinion of the Building Official, the valuation is underestimated on the application, the permit shall be denied, unless the applicant can show detailed estimates to meet the approval of the Building Official. Final building permit valuation shall be set by the Building Official. The determination of value or valuation for residential remodels shall be 65 percent of the new cost of construction.

[A] 109.4 Work Commencing Before Permit Issuance. Any person who commences any work on a building, structure, electrical, gas, mechanical or plumbing system before obtaining the necessary permits shall be subject to double the total permit fees and all enforcement costs."

[A] 109.6 Refunds. The refund of fees shall be 80% of the permit fees that government resources have not been expended to complete."

SECTION 6. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.04 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-1.04 Violations and penalties.**

Section [A] 114.4 of the California Building Code is hereby amended as follows:

[A] 114.4 Violation penalties. It shall be unlawful for any person, firm or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert or demolish, equip, use, occupy or maintain any

building or structure or cause or permit the same to be done in violation of this code. The penalty for any violation, upon the conviction of any violation, shall be a fine of not more than one thousand dollars ($1000.00), or imprisonment in a County Jail for a period not exceeding six (6) months, or both such fine and imprisonment. Each such person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of the ordinances of Redondo Beach is committed, continued, or permitted by any such person, and shall be punished accordingly."

SECTION 7. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.05 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"9-1.05 Fire Sprinkler Systems.

Section 903 of Chapter 9 of the California Building Code is hereby amended as follows:

Section [F] 903.2.1.1.1 is added to read as follows:

[F] 903.2.1.1.1 Group A-1. An automatic sprinkler system shall be provided for group A-1 undergoing remodel/tenant improvements under the following conditions:

1. Additions exceeding 1000 square feet.

2. Addition of a second floor above ground level.

3. Additions where combined area on all floors and mezzanines exceed 1000 square feet.

4. Change of occupancy classification to an assembly use or classification change of any other occupancy exceeding 1000 square feet.

Section [F] 903.2.1.2.1 is added to read as follows:

[F] 903.2.1.2.1 Group A-2. An automatic sprinkler system shall be provided for group A-2 undergoing remodel/tenant improvements under the following conditions:

1. Additions exceeding 1000 square feet.

2. Addition of a second floor above ground level.

3. Additions where combined area on all floors and mezzanines exceed 1000 square feet.

4. Change of occupancy classification to an assembly use or classification change of any other occupancy exceeding 1000 square feet.

Section [F] 903.2.1.3.1 is added to read as follows:

[F] 903.2.1.3.1 Group A-3. An automatic sprinkler system shall be provided for group A-3 undergoing remodel/tenant improvements under the following conditions:

1. Additions exceeding 1000 square feet.

2. Addition of a second floor above ground level.

3. Additions where combined area on all floors and mezzanines exceed 1000 square feet.

4. Change of occupancy classification to an assembly use or classification change of any other occupancy exceeding 1000 square feet.

Section [F] 903.2.1.4.1 Group A-4 is added to read as follows:

[F] 903.2.1.4.1 Group A-4. An automatic sprinkler system shall be provided for group A-4 undergoing remodel/tenant improvements under the following conditions:

1. Additions exceeding 1000 square feet.

2. Addition of a second floor above ground level.

3. Additions where combined area on all floors and mezzanines exceed 1000 square feet.

4. Change of occupancy classification to an assembly use or classification change of any other occupancy exceeding 1000 square feet.

Section [F] 903.2.1.5.2 is added to read as follows:

[F] 903.2.1.5.2 Group A-5. An automatic sprinkler system shall be provided for group A-5 undergoing remodel/tenant improvements under the following conditions:

1. Additions exceeding 1000 square feet.

2. Addition of a second floor above ground level.

3. Additions where combined area on all floors and mezzanines exceed 1000 square feet.

4. Change of occupancy classification to an assembly use or classification change of any other occupancy exceeding 1000 square feet.

Section [F] 903.2.1.8 is added to read as follows:

[F] 903.2.1.8 Group B. An automatic sprinkler system shall be provided throughout buildings containing a Group B occupancy where one of the following conditions exists:

4. Where a Group B fire area exceeds 1000 square feet;

5. Where a Group B fire area is located more than one story above grade plane; or

6. Where the combined area of all fire areas on all floors, including any mezzanines, exceeds 1000 square feet.

Section [F] 903.2.3 is amended to read as follows:

[F] 903.2.3 Group E. Except as provided for in Sections 903.2.3.19 and 903.2.3.20 for publics school campus and 907.2.3.7 (fire alarm and detection) for modernization of an existing public school campus building(s), an automatic sprinkler system shall be provided for Group E occupancies as follows:

1. Throughout all Group E fire areas when greater than 1000 square feet in area, or located more than one story above grade plane, or where the combined area of all fire areas on all floors, including any mezzanines, exceed 1000 square feet.

2. Throughout every portion of educational buildings below the level of exit discharge.

3. In rooms or areas with special hazards such as laboratories, vocational shops and other such areas where hazardous materials in exempt amounts are used or stored.

Section [F] 903.2.4 is amended to read as follows:

[F] 903.2.4 Group F-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where one of the following conditions exists:

1. Where a Group F-1 fire area exceeds 1000 square feet.

2. Where a Group F-1 fire area is located more than one story above grade plane; or

3. Where the combined area of all fire areas on all floors, including any mezzanines, exceeds 1000 square feet.

Section [F] 903.2.4.1 is amended to read as follows:

[F] 903.2.4.1 Woodworking operations. An automatic sprinkler system shall be provided throughout all Group F-1 occupancy fire areas that contain woodworking operations in excess of 1000 square feet in area which generate finely divided combustible waste or use finely divided combustible materials.

Section [F] 903.2.6 is amended to read as follows:

[F] 903.2.6 Group I. An automatic sprinkler system shall be provided throughout buildings with a Group I fire area.

An automatic sprinkler system designed in accordance with Section 903.3.1.3 shall not be utilized in Group I-1.

Section [F] 903.2.7 is amended to read as follows:

[F] 903.2.7 Group M. An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy where one of the following conditions exists:

1. Where a Group M fire area exceeds 1000 square feet;

2. Where a Group M fire area is located more than one story above grade plane; or

3. Where the combined area of all fire areas on all floors, including any mezzanines, exceeds 1000 square feet.

Section [F] 903.2.9 is amended to read as follows:

[F] 903.2.9 Group S-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group S-1 occupancy where one of the following conditions exists:

4. A Group S-1 fire area exceeds 1000 square feet.

5. A Group S-1 fire area is located more than one story above grade plane; or

6. The combined area of all S-1 fire areas on all floors, including any mezzanines, exceeds 1000

square feet.

Section [F] 903.2.9.1 is amended to read as follows:

[F] 903.2.9.1 Repair garages. An automatic sprinkler system shall be provided throughout all buildings used as repair garages in accordance with Section 406, as shown:

1. Buildings with a fire area containing a repair garage exceeding 1000 square feet.

2. Buildings with a repair garage servicing vehicles parked in the basement.

Section [F] 903.2.9.2 is amended to read as follows:

[F] 903.2.9.2 Bulk storage of tires. Buildings and structures for the storage of tires shall be equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1.

Section [F] 903.2.10 is amended to read as follows:

[F] 903.2.10 Group S-2. An automatic sprinkler system shall be provided throughout buildings classified as enclosed parking garages in accordance with Section 406.4 or where located beneath other groups.

Section [F] 903.2.8 is amended to read as follows:

[F] 903.2.8 Group R3 and U. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R and/or Group U fire area.

Exceptions:

1. Detached ADU where the main dwelling unit is not protected by fire sprinklers

2. Detached Group U accessory buildings not exceeding 1000 square feet.

Section [F] 903.2.8.3 is amended to read as follows:

[F] 903.2.8.3 Group R-4, Condition 1. An automatic sprinkler system designed in accordance with Section 903.3.1.3 shall not be utilized in Group R-4.

Section [F] 903.2.22 is added to read as follows:

[F] 903.2.22 Existing buildings of all occupancies. In existing buildings, an automatic sprinkler system shall be required throughout the entire building whenever more than a 1200 square feet addition and/or an additional story is added to the existing building.

Section [F] 903.3.1.3 is amended to read as follows:

Section 903.3.1.3 NFPA 13D sprinkler systems. Where allowed, automatic sprinkler systems in one- and two-family dwellings and multiple single-family dwellings (townhouses) not more than three stories above grade plane in height with a separate means of egress shall be installed throughout in accordance with NFPA 13D."

SECTION 8. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.06 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“9-1.06 Permit expiration.

Section [A] 105.5 is hereby amended to read as follows:

[A] 105.5 Expiration. Every permit issued shall become invalid unless the work on the site authorized by such permit is commenced within 12 months after its issuance, or if the work authorized on the site by such permit is suspended or abandoned for a period of 12 months after the time the work is commenced. The Building Official is authorized to grant, in writing, one or more extensions of time, for periods not more than 180 days each and not exceeding two (2) calendar years. The extension shall be requested in writing and justifiable cause demonstrated.

Before such work can be recommenced, a new permit, or a renewed permit as specified below, shall be first obtained.

For permits where work has not commenced within 12 months from the date of such permit, a renewed permit may be obtained provided that: (1) no changes have been made or will be required in the original plans and specifications for such work; and (2) the expiration has not exceeded two (2) calendar years from the original issuance date.

For permits where work had commenced and was subsequently suspended or abandoned for a period exceeding 12 months (365 days), a renewed permit may be obtained provided that: (1) No changes have been made or will be required in the original plans and specifications for such work; and (2) the expiration has not exceeded two (2) calendar years from the issuance date, and/or (3) where construction has progressed and has been approved, to the point whereby only a final inspection(s) is required, a fee shall be determined based on the number of estimated inspections, estimated staff time, and required meetings as determined by the Building Official.

For permits that have exceeded two years beyond the issuance date, a new permit is required. The applicant shall pay the fee based on the valuation of the uncompleted work required for a plan check and a new permit and plans will be reviewed under the current codes and ordinances at the time of the new applications. The Building Official may determine that the applicable Building Codes issued under the original permit may be utilized based on the remaining scope of work to be completed on a case-by-case basis.

If the owner or applicant fails to complete the construction work within the time required, the Building Official is authorized to obtain the abatement of any unsafe condition or nuisance created by such incomplete work. The City Attorney is authorized to file an action for the abatement of any such unsafe condition or nuisance if required to do so by the Building Official.”

SECTION 9. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.06.1 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“9-1.06.1 Construction Documents.

Section [A] 107.1 is hereby amended, and [A] 107.1.1 is added to read as follows:

[A] 107.1 General. Submittal documents consisting of construction documents, statements of special inspections, geotechnical reports, and other data shall be submitted in two or more sets or in digital format where allowed by the Building Official, with each permit application. The construction documents for all new commercial buildings. commercial tenant improvements, and residential group R-2 shall be prepared by a registered design professional. Where special conditions exist, the Building Official is authorized to require additional construction documents to be prepared by a registered design

professional.

[A] 107.1.1 Plan Review Fees. When submittal documents are required by the Building Official, a plan review fee shall be paid at the time of submitting the submittal documents for plan review. Said plan review fee shall be determined by the most current city Master Fee Schedule.

The plan review fees specified in this section are separate and in addition to any permit fees required by Section 109.1.

When submittal documents are incomplete or changed so as to require additional plan review or when the project involves deferred submittal items as defined in Section [A] 107.3.4.1, an additional plan review fee shall be charged as determined by the most current city Master Fee Schedule."

SECTION 10. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.06.1.1 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"9-1.06.1.1 Expiration of Plan Review.

Section [A] 105.3.2 is hereby amended to read as follows:

[A] 105.3.2 Time limitation of application. Applications for which no permit is issued within 12 months following the date of application shall expire by limitation, and plans and other data submitted for review may thereafter be returned to the applicant or destroyed by the Building Official. Upon written request by the applicant showing that circumstances beyond the control of the applicant have prevented action from being taken, the Building Official may provide a one-time extension not to exceed 180 days, at which time a permit shall be issued. An application may only be extended once unless otherwise determined by the Building Official on a case-by-case basis. Should the permit not be issued after a one-time extension has been granted, the applicant shall submit a new application, pay new plan review fees, and plans shall be reviewed under current codes and ordinances at the time of the new application."

SECTION 11. AMENDMENT OF CODE. Title 9, Chapter 1, Section 9-1.06.2 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-1.06.2 Certificate of Occupancy**

Section [A] 111.1 is hereby amended to read as follows:

[A] 111.1 Use and occupancy. No building or structure shall be used or occupied, and no change in the existing occupancy classification of a building or structure or portion thereof shall be made until the Building Official has issued a certificate of occupancy thereof as provided herein. The final of a building permit shall act as the certificate of occupancy for change of use in existing buildings or structures and new single-family dwellings and new condominiums. A certificate of occupancy shall only be issued for new commercial construction. Issuance of a certificate of occupancy shall not be construed as an approval of a violation of the provisions of this code or of other ordinances of the jurisdiction."

SECTION 12. AMENDMENT OF CODE. Title 9, chapter 1, Section 9-1.08 of the Redondo Beach Municipal Code is hereby amended to read as follows:

9-1.08 Roofing and re-roofing.

"Section 1505.1 is hereby amended as follows:

The entire roof covering Class “C” of every existing structure where more than twenty-five (25%) percent of the total roof area is replaced within any one-year period, the entire roof covering of every new structure, and any roof covering applied in the alteration, repair or replacement of the roof of every existing structure, shall be a fire-retardant roof covering that is at least Class A or B roofs as defined in the California Building Code.

Table 1505.1 is hereby amended as follows:

All roof classifications of “C” shall be deleted from Table 1505.1 and replaced by class “B” roof classifications.”

SECTION 13. AMENDMENT OF CODE. Title 9, chapter 1, Section 9-1.09 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“**9-1.09 Grading permits and fees.**

(a) **General.** Fees shall be assessed in accordance with the provisions of this section.

(b) **Plan Review Fees.** When a plan or other data are required to be submitted, a plan review fee shall be paid at the time of submitting plans and specifications for review. Said plan review fee shall be set as in the current Master Fee Schedule. Separate plan review fees shall apply to retaining walls or major drainage structures as required elsewhere in this Code. For excavation and fill on the same site, the fee shall be based on the volume of excavation and fill.

(c) **Grading Permit Fees.** The fee for each grading permit shall be set as in the current Master Fee Schedule. Separate permits and fees shall apply to retaining walls or major drainage structures as required elsewhere in this Code. There shall be no separate charge for standard terrace drains and similar facilities.”

SECTION 14. AMENDMENT OF CODE. Title 9, Chapter 28, Section 9-1.28 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“9-1.28 Construction notification.

Demolition permits. The contractor or owner is required to send by certified mail a notification letter to all the apartment units, condominiums, or house addresses located on the ten (10) adjacent properties to the construction site. Proof of paid certified mail notification letters are required to be submitted to the Building and Safety Division (14) days prior to commencing demolition.

Building permits. The contractor or owner is required to send by certified mail a notification letter to all the apartment units, condominiums, or house addresses located on the ten (10) adjacent properties to the construction site. Proof of paid certified mail notification letters are required to be submitted to the Building and Safety Division (14) days prior to commencing construction.

This notification letter would apply only to building permits with a valuation listed at One Hundred Fifty Thousand ($150,000.00) Dollars or more, and to all demolition permits. The Building and Safety Division will provide a list of all the apartment units, condominiums, or house addresses located on the ten (10) adjacent properties the contractor/owner is required to notify. The contractor/owner is required to notify the five (5) adjacent properties surrounding the construction site, as well as the three (3) properties directly across the street, and two (2) further properties, notified from an optional four (4) properties, with frontage on the same street as the permitted construction. In the case of a property located on a street corner, the contractor/owner is required to notify the three (3) adjacent properties

surrounding the construction site, as well as the five (5) properties located across the two (2) intersecting streets, and the two (2) remaining properties (notified from an optional four (4) properties) with frontage on the same street as the permitted construction. For construction sites not meeting either condition listed above, the Building and Safety Division will assign the ten (10) required properties to be notified.

Exception:

1. Where the valuation is less than 150,000 Dollars and an addition greater than 50 square feet is being constructed construction notification shall be required.

2. Remodels that include removal of exterior siding/ stucco where framing is exposed, or roof pitch modification and is less than 150,000 Dollars construction notification shall be required.

The notification letter shall include the following information: the name and address of contractor and owner, the contact telephone number for contractor and owner, the job address, a description of work, and the approximate construction start date."

SECTION 15. AMENDEMENT OF CODE. Title 9, Chapter 22, Section 9-22.01 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"Chapter 22 RESIDENTIAL CODE

9-22.01 Adoption of the 2025 California Residential Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled "2025 California Residential Code," including Chapter 1, Division 2 and **Appendices BB, BF, BH, BM, CI, and CJ** therein contained, promulgated and published by the International Code Council and the California Building Standards Commission, one (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as set forth herein at length, are hereby established and adopted as the rules, regulations, and provisions and conditions to be observed and followed in the construction, enlargement, alteration, movement, replacement, repair, equipment, use and occupancy, location, removal and demolition, conversion, use, height, area and maintenance of buildings, structures and improvements of every detached one-and two-family dwelling, townhouse not more than three stories above grade plane in height with a separate means of egress and structures accessory thereto in the city and related subjects, items and matters as set forth in said Code, within the City. Subject to the additions, deletions and amendments set forth in this chapter, said Code, with its said Chapter 1, Division 2 and Appendices BB, BF, BM, CI, and CJ, is hereby established and adopted by reference, and the same shall be designated, known and referred to as the "Residential Code" of and for the City."

SECTION 16. AMENDEMENT OF CODE. Title 9, Chapter 22, Section 9-22.03 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.03 Permit required.**

Section R105.1, Chapter 1 Division II is hereby amended and shall read as follows:

R105.1 Permits Required. Refer to RBMC 9-1.02 Section [A] 105.1 Permits Required.

Section R105.2 Work Exempt From Permit. Refer to RBMC 9-1.02 Section [A] 105.2 Work Exempt From Permit."

SECTION 17. AMENDEMENT OF CODE. Title 9, Chapter 22, Section 9-22.05 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.05 Fees.**

Section R108.2 is amended as follows:

R108.2 Schedule of Permit Fees. Refer to RBMC 9-1.03 Section [A] 109.2 Schedule of Permit Fees

Section R108.3 is amended as follows:

R108.3 Building Permit Valuations. Refer to RBMC 9-1.03 Section [A] 109.3 Building Permit Valuations.

Section R108.5 is amended as follows:

R108.5 Refunds. Refer to RBMC 9-1.03 Section [A] 109.6 Refunds.

Section R108.6 is amended as follows:

R108.6 Work Commencing Before Permit Issuance. Refer to RBMC 9-1.03 Section [A] 109.4 Work Commencing Before Permit Issuance."

SECTION 18. AMENDEMENT OF CODE. Title 9, Chapter 22, Section 9-22.05.1 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.05.1 Permit Expiration.**

Section R105.5 is hereby amended to read as follows:

R105.5 Expiration. Refer to RBMC 9-1.06 Section [A] 105.5 Expiration."

SECTION 19. AMENDEMENT OF CODE. Title 9, Chapter 22, Section 9-22.05.2 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.05.2 Construction Documents**

Section R106.1 is amended to read as follows:

R106.1 General. Refer to RBMC 9-1.06.1 Section [A] 107.1 General.

Section R106.1.1.1 is added to read as follows:

R106.1.1.1 Plan Review Fees. Refer to RBMC 9-1.06.1 Section [A] 107.1.1 Plan Review Fees."

SECTION 20. AMENDEMENT OF CODE. Title 9, Chapter 22, Section 9-22.05.3 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.05.3 Expiration of Plan Review.**

Section R105.3.2 is hereby amended to read as follows:

R105.3.2 Time limitation of application. Refer to RBMC 9-1.06.1.1 Section [A] 105.3.2 Time limitation of application."

SECTION 21. Title 9, Chapter 2, Section 9-22.06 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.06 Certificate of Occupancy.**

Section R110.3 is hereby amended to read as follows:

R110.3 Certificate Issued. Refer to RBMC 9-1.06.2 Section [A] Use and Occupancy."

SECTION 22. Title 9, Chapter 2, Section 9-22.07 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.07 Violations and penalties.**

Section R113.4 is hereby amended to read as follows:

R113.4 Violation Penalties. Refer to RBM 9-1.04 Section [A] 114.4 Violation Penalties."

SECTION 23. Title 9, Chapter 2, Section 9-22.08 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-22.08 Fire extinguishing systems.**

Section R309 is hereby amended to read as follows:

R309.1 Townhouse automatic fire sprinkler systems. An automatic residential fire sprinkler shall be installed in townhouses.

Exception: An automatic residential fire sprinkler system shall be required when additions of more than 1200 square feet or an additional story is added to the existing townhouses that do not have an automatic residential fire sprinkler system installed.

R309.2 One- and two-family dwellings automatic fire sprinkler systems. An automatic residential fire sprinkler shall be installed in one- and two-family dwellings.

Exception: An automatic sprinkler system must be provided throughout every existing R-3 occupancy when a 1,200 square foot or greater addition occurs established by the Building Code Official. Reference RBMC 3-4.108 Section 903.2.8.1.1."

SECTION 24. AMENDEMENT OF CODE. Title 9, Chapter 25 of the Redondo Beach Municipal Code is hereby amended and shall read as follows:

"**Chapter 25 HISTORICAL BUILDING CODE**

9-25.01 Adoption of the 2025 California Historical Building Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the

rules, regulations, provisions and conditions set forth in that certain Code entitled "2025 California Historical Building Code," including the **Appendix A** therein contained, promulgated and published by the International Code Council and the California Building Standards Commission, one (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as though set forth herein at length, are hereby established and adopted as the rules, regulations, provisions and conditions to be observed and followed in the repair, alteration and additions necessary for the preservation, restoration, reconstruction, rehabilitation, relocation, or continued use of a qualified historical building or property when so elected by the private property owner in the city; and subject to the additions, deletions and amendments set forth in this chapter, said Code with its Appendix A and the said Standards containing said rules, regulations, standards, provisions and conditions is hereby established and adopted by reference, and the same shall be designated, known and referred to as the "Historical Building Code" of and for the City."

SECTION 25. AMENDEMENT OF CODE. Title 9, Chapter 3, Section 9-3.01 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**Chapter 3 ELECTRICAL CODE.**

9-3.01 Adoption of 2025 California Electrical Code and Chapter 1, Division II of the California Building Code for Administrative Code Provisions for the Electrical Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive of the Government Code of the State and subject to the particular additions, amendments, and deletions set forth in this chapter, the rules, regulations, provisions, and conditions set forth in those certain Codes entitled "2025 California Electrical Code",("CEC"), **including the Annexes and Tables** therein contained, promulgated and published by the National Fire Protection Association of Quincy, Massachusetts and the California Building Standards Commission, including the Annexes and Tables therein contained, one (1) full printed copy of which, printed as a Code in book form, was by the Council ordered filed and which has been actually filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as though set forth herein at length, are hereby established and adopted as the rules, regulations, standards, provisions, and conditions to be observed and followed in the installation, arrangement, alteration, repair, use, and operation of electrical wire connections, fixtures, and other electrical appliances, and subject to the additions, amendments, and deletions set forth in this chapter, said Code with its Annexes and Tables, containing said rules, regulations, standards, provisions, and conditions, is hereby established and adopted by reference, and the same shall be designated, known, and referred to as the "Electrical Code" of and for the City."

SECTION 26. AMENDEMENT OF CODE. Title 9, Chapter 3, Section 9-3.02 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-3.02 Violations and penalties.**

Any person who violates a provision of this code or fails to comply with any of the requirements thereof or who erects, constructs, alters or repairs a building or structure in violation of the approved construction documents or directive of the Building Official, or of a permit or certificate issued under the provisions of this code, shall be subject to the penalties as prescribed by law. Every person who willfully resists, delays, obstructs or interferes in any way with the Building Official or his or her authorized representative in the discharge or attempt to discharge any duty of his or her office or employment shall be guilty of a violation of this Chapter.

Any person, firm, or corporation violating any of the provisions or failing to comply with any of the mandatory requirements of the ordinances of Redondo Beach shall be guilty of a misdemeanor. Any

person convicted of a misdemeanor under the ordinances of Redondo Beach shall be punished by a fine of not more than one thousand dollars ($1,000), or by imprisonment not to exceed six (6) months, or by both such fine and imprisonment. Each such person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of the ordinances of Redondo Beach is committed, continued, or permitted by any such person, and shall be punished accordingly."

SECTION 27. AMENDEMENT OF CODE. Title 9, Chapter 3, Section 9-3.03 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-3.03 Fees.**

Section 89.108.4.2 is amended as follows:

89.108.4.2 Fees. The fees shall be determined by the most current City Resolution of Fees.

Plan Review Fees. Refer to RBMC 9-1.03 Section [A] 109.2 Schedule of permit fees.

Work commencing before permit issuance. Refer to RBMC 9-1.03 Section [A] 109.4 Work Commencing Before Permit Issuance.

Investigation. Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation may be required before a permit may be issued for such work.

Investigation Fee. Refer to RBMC 9-1.03 Section [A] 109.2 Schedule of permit fees."

SECTION 28. AMENDEMENT OF CODE. Title 9, Chapter 3, Section 9-3.04 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-3.04 Plans and specifications.**

Section 89.108.4.3 is amended to read as follows:

89.108.4.3 Plan review and Time limitation.

Electrical Plans and Specifications. When required by the Building Official, electrical plans, specifications, and applications shall be filed and approved by the Building Official prior to any electrical wiring or installations.

Electrical plans and specifications for all occupancies listed in the current adopted California Building Code shall be prepared by an Electrical Engineer who possesses a valid Professional Electrical Engineering Registration issued pursuant to and in accordance with the laws of the State of California. All electrical sheets shall be stamped and signed by the licensed Professional Electrical Engineer.

Electrical plans shall include but are not limited to load schedule, wiring diagrams, homeruns, wire sizes, location and size of service panels and subpanels, method of grounding of service. Electrical plans for the following types of projects must be submitted for electrical plan check:

1. All Commercial and Industrial projects, tenant improvements, additions, and service changes.

2. The mixed Occupancy of R-2 and U Occupancy where U Occupancy is between 1000 and 3000 square feet or when service is over 400 amps.

3. R-3 Occupancy and U Occupancy when service is over 400 amps.

Electrical Load Calculations shall be prepared and submitted by a licensed electrical contractor and/or owner/builder under the following conditions:

1. R-3 Occupancy including new construction, additions, and service changes.

2. U Occupancy (which is part of the R -3 Occupancy), which does not exceed 1000 square feet in area.

Exception: The Building Official may waive the submission of electrical plans, calculations, etc., if it is found that the nature of the work applied for is such that reviewing of electrical plans is not necessary to obtain compliance with this Code."

SECTION 29. AMENDMENT OF CODE. Title 9, Chapter 3, Section 9-3.05 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-3.05 Expiration of plan review.**

Section 9-1.06.1.1 Expiration of Plan Review of the Redondo Beach Municipal Code shall apply."

SECTION 30. AMENDMENT OF CODE. Title 9, Chapter 3, Section 9-3.06 of the Redondo Beach Municipal Code is hereby added and shall read as follows:

"**9-3.06 Permit limitation.**

Section 105.5 of said Chapter 1, Division II of the California Building Code for Administrative Code Provisions for the California Electrical Code 2025 is hereby amended to read:

Section 105.5 Expiration. Refer to RBMC 9-1.06 Section [A] 105.5 Expiration."

SECTION 31. AMENDMENT OF CODE. Title 9, Chapter 3, Section 9-3.07 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-3.07 Expiration of Plan Review.**

Section 9-1.06.1.1 of the Redondo Beach Municipal Code shall apply."

SECTION 32. AMENDMENT OF CODE. Title 9, Chapter 3, Section 9-3.08 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-3.08 Undergrounding services.**

Section 9-3.08 is amended to read as follows:

Section 230.30 (A) Installation is amended by the addition of subsection (5) to read as follows:

(5) Underground Utilities Required. All new buildings and structures in the City of Redondo Beach shall provide underground electrical and communication service laterals on the premises to be served, as hereinafter required.

(a) New Construction. All electrical, telephone, cable television system, and similar service wires and cables which provide direct service to new main buildings, new accessory buildings, and structures, shall be installed underground in compliance with

all applicable building and electrical codes, safety regulations, and orders, rules of the Public Utilities Commission of the State of California, and specifications or standards of the Engineering Department.

(b) Existing Buildings. Such service wires and cables shall also be placed underground when existing buildings, existing accessory buildings, and structures are repaired, remodeled, altered, expanded, or requiring the relocation or replacement of service panel.

(c) Wiring. Between the accessory buildings and the main buildings shall be in an underground system and shall be in a separate conduit so that replacement may be made without disturbing other groups of service wires, unless otherwise approved by the Building Official.

(d) Responsibility for Compliance. The Contractor and Owner shall be and are jointly and severally responsible for complying with the requirements of this section and shall make the necessary arrangements with the utility companies servicing the structure for the installation of such facilities.

If a proposed building or structure would create a situation which would make unreasonable, impractical, or physically impossible the continuance of overhead utility service to an existing adjacent property (or properties), then the Contractor and owner of the proposed building or structure shall be responsible for relocating such utilities per utility company specifications, and shall be installed underground in compliance with all applicable codes, safety regulations, and orders, rules of the Public Utilities Commission of the State of California, and specifications or standards of the Public Works Department.

(e) Appurtenances. For the purpose of this section, appurtenances and associated equipment such as, but not limited to, service mounted transformers, pedestal mounted terminal boxes and meter cabinets may be placed above ground if permitted by and in accordance with the rules of the State Public Utilities Commission.

(f) Waiver of Underground Requirements. In new construction or in additions to and or remodeling of existing buildings, if topographical, soil, or any other conditions make such underground installations unreasonable or impractical, a waiver of some, or all of the requirements of this section may be granted by the Building Official, provided that a special electrical panel with connectors that are capable of accepting either the overhead or the underground power supply cables, and a four (4″) inch pipe leading from the panel to the outer side of the foundation system (sweep) installed inside the exterior wall of the building, shall be installed at the time of construction, as a minimum for future underground utility cables connection. A written approval from Southern California Edison is required, when necessary, subject to the installation of all necessary electrical conduits, terminal boxes and other appurtenances as may be required to provide underground service in the future.

Exceptions: This section shall not apply to:

(i) Utility lines which do not provide service to the area being developed.

(ii) Properties which are served by the rear from utilities not located within public rights of way."

SECTION 33. AMENDEMENT OF CODE. Title 9, Chapter 3, Sections 9-3.09 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-3.09 Service equipment.**

Section 230.70 (A) (1) is amended to read as follows:

> (A) The service disconnecting means shall be installed at a readily accessible location outside of the building. The service disconnecting means may be located inside nearest the point of entrance of the service conductors where approved by the Building Official.

Section 230.79 is amended to add subsection (E) to read as follows:

> **(E) Multi-Family Dwellings.** For each multi-family dwelling, the service disconnecting means shall have a rating of net less than 100amperes, 3-wire."

SECTION 34. AMENDEMENT OF CODE. Title 9, Chapter 26, Sections 9-26.01 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"Chapter 26 CALIFORNIA ADMINISTRATIVE CODE

9-26.01 Adoption of the 2025 California Administrative Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled "2025 California Administrative Code," promulgated and published by the International Code Council and the California Building Standards Commission, one (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as though set forth herein at length, are hereby established and adopted as the administrative regulations regarding the adoption of building standards; and subject to the additions, deletions and amendments set forth in this chapter, said Code and the said Standards containing said rules, regulations, standards, provisions and conditions is hereby established and adopted by reference, and the same shall be designated, known and referred to as the "Administrative Code" of and for the City."

SECTION 35. AMENDEMENT OF CODE. Title 9, Chapter 5, Section 9-5.01 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**Chapter 5 PLUMBING CODE**

9-5.01 Adoption of the 2025 California Plumbing Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled "2025 California Plumbing Code" including the Appendices A, B, C, D, G, H, I, J, K, L, and M therein contained, promulgated and published by the International Association of Plumbing and Mechanical Officials of Ontario, California and the California Building Standards Commission, one (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as set forth herein at length, are hereby established and adopted as the rules, regulations, and provisions and conditions to be observed and followed in the moving, removal, demolition,

condemnation, maintenance and use of plumbing, house drainage, house sewers, sanitary sewers, cesspools, septic tanks, gas piping, gas water heater vents, swimming pools, and gas outlets for swimming pool heaters and related subjects, items and matters as set forth in said Code, within the City. Subject to the additions, deletions and amendments set forth in this chapter, said Code, with its said specified sections of Chapter 1, Division II, Chapters 2 through 17, and Appendices A, B, C, D, G, H, I, J, K, L, and M is hereby established and adopted by reference, and the same shall be designated, known and referred to as the "Plumbing Code" of and for the City."

SECTION 36. AMENDEMENT OF CODE. Title 9, Chapter 5, Chapter 9-5.02 of the Redondo Beach Municipal Code is amended to read as follows:

"9-5.02 Fees.

Section 104.5 is amended as follows:

104.5 Fees. Refer to RBMC 9-1.03 Section [A] 109.2 Schedule of permit fees.

Section 104.5.1 is amended to read as follows:

104.5.1 Work commencing before permit issuance. Refer to RBMC 9-1.03 Section [A] 109.4 Work Commencing Before Permit Issuance.

104.5.2 Investigation Fees. Refer to RBMC 9-1.03 Section [A] 109.2 Schedule of permit fees."

SECTION 37. AMENDMENT OF CODE. Title 9, Chapter 5, Section 9-5.02.3 of the Redondo Beach Municipal Code is amended to read as follows:

Section 104.3.2 is amended as to read as follows:

104.3.2 Plan Review Fees. Refer to RBMC 9-1.03 Section [A] 109.2 Schedule of permit fees."

SECTION 38. AMENDEMENT OF CODE. Title 9, Chapter 5, Section 9-5.02.4 of the Redondo Beach Municipal Code is amended to read as follows:

"Section 104.3.3 is amended to read as follows:

104.3.3 Expiration of plan review. Refer to RBMC 9-1.06.1.1 Expiration of Plan Review Section [A] 105.3.2 Time limitation of application."

SECTION 39. AMENDEMENT OF CODE. Title 9, Chapter 5, Section 9-5.03 of the Redondo Beach Municipal Code is amended to read as follows:

"9-5.03 Violations and penalties.

Section 106.3 is hereby amended to read as follows:

106.3 Violation penalties. Refer to RBMC 9-1.04 Violations and penalties Section [A] 114.4 Violation penalties."

SECTION 40. AMENDEMENT OF CODE. Title 9, Chapter 27, Section 9-27.01 of the Redondo Beach Municipal Code is amended to read as follows:

“Chapter 27 ENERGY CODE

9-27.01 Adoption of the 2025 California Energy Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled “2025 California Energy Code,” including the Appendices therein contained, promulgated and published by the International Code Council and the California Building Standards Commission, one (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as though set forth herein at length, are hereby established and adopted as the rules, regulations, provisions and conditions to be observed and followed for the building envelope, space-conditioning systems, pool and spas, solar ready buildings, indoor lighting systems of buildings, outdoor lighting systems, electrical power distribution systems, and signs located either indoors or outdoors; and subject to the additions, deletions and amendments set forth in this chapter, said Code with its Appendices and the said Standards containing said rules, regulations, standards, provisions and conditions is hereby established and adopted by reference, and the same shall be designated, known and referred to as the “Energy Code” of and for the City.”

SECTION 41. AMENDEMENT OF CODE. Title 9, Chapter 23, Section 9-23.01of the Redondo Beach Municipal Code is amended to read as follows:

“Chapter 23 GREEN BUILDING STANDARDS CODE

9-23.01 Adoption of the 2025 California Green Building Standards Code.

Pursuant to the provisions of section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled “2025 California Green Building Standards Code” including the Appendices therein contained, promulgated and published by the promulgated and published by the International Code Council and the California Building Standards Commission, one (1) full printed copy of each, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as set forth herein at length, are hereby established and adopted as the rules, regulations, and provisions and conditions to be observed and followed in the planning, design, operation, construction, demolitions, use and occupancy, operations and maintenance regarding the planning and design, energy efficiency, water efficiency and conservation, material conservation and resource efficiency, and environmental quality enhancement in the City and related subjects, items and matters as set forth in said Code, within the City. Subject to the additions, deletions and amendments set forth in this chapter, said Codes, with said Appendices, are hereby established and adopted by reference.

Nothing in this chapter shall require the applicant to use covered products, as defined in the federal Energy Policy and Conservation Act (42 U.S.C. S6201 et seq.), that exceed any applicable federal energy conservation standards for such products.”

SECTION 42. AMENDEMENT OF CODE. Title 9. Chapter 13, Section 9-13.01 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“**Chapter 13 – SWIMMING POOL, SPA, AND HOT TUB CODE**

9-13.01 Adoption of Uniform Swimming Pool, Spa, and Hot Tub Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled "Uniform Swimming Pool, Spa, and Hot Tub Code 2006 Edition," including all Appendices therein contained, promulgated and published by the International Association of Plumbing and Mechanical Officials. One (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as set forth herein at length, are hereby established and adopted as the rules, regulations, provisions and conditions to be observed and followed in the erection, installation, alteration, repair, relocation, replacement, addition to, use or maintenance of any heating ventilating, comfort cooling, refrigerator systems, incinerators, or other miscellaneous heat producing appliances in the city; and subject to the additions, deletions, and amendments set forth in this chapter, said Code with its Appendices, containing said rules, regulations, standards, provisions, and conditions is hereby established and adopted, and the same shall be designated, known and referred to as the "Swimming Pool, Spa, and Hot Tub Code" of and for the City."

SECTION 43. AMENDEMENT OF CODE. Title 9, Chapter 13, Section 9-13.02 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**9-13.02 Swimming pool, spa, and hot tub permit fees.**

Section 103.4 of the Uniform Swimming Pool, Spa, and Hot Tube Code is hereby amended for administrative requirements as follows:

Table 1-1 Swimming Pool, Spa, Hot Tub Permit Fees per administrative requirements is hereby deleted.

103.4.1 Permit Fees. Refer to RBMC 9-1.03 Fees Section [A] 109.2 Schedule of Permit Fees.

103.4.2 Plan Review Fees. Refer to RBMC 9-1.03 Fees Section [A] 109.2 Schedule of Permit Fees.

103.4.3.1 Work commencing before permit issuance. Refer to RBMC 9-1.03 Fees Section [A] 109.4 Work Commencing Before Permit Issuance.

Investigation. Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation may be required before a permit may be issued for such work.

103.4.3.2 Investigation Fee. Refer to RBMC 9-1.03 Fees Section [A] 109.2 Schedule of Permit Fees."

SECTION 44. AMENDEMENT OF CODE. Title 9, Chapter 13, Section 9-13.03 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"9-13.03 – Violations and penalties.

Section 102.3.1 and 102.3.2 of the Uniform Swimming Pool, Spa, and Hot Tub Code are hereby amended for administrative requirements as follows:

102.3.1 Violations. Refer to RBMC 9-1.04 Violations and Penalties Section [A] 114.4 Violation Penalties.

102.3.2 Penalties. Refer to RBMC 9-1.04 Violations and Penalties Section [A] 114.4 Violation Penalties."

SECTION 45. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.01 of the Redondo Beach Municipal Code is amended to read as follows:

"**Chapter 6 MECHANICAL CODE**

9-6.01 Adoption of the 2025 California Mechanical Code.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled "2025 California Mechanical Code including Appendices A, B, C, F, and G therein contained, promulgated and published by the International Association of Plumbing and Mechanical Officials of Ontario, California and the California Building Standards Commission. One (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which has been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as set forth herein at length, are hereby established and adopted as the rules, regulations, provisions and conditions to be observed and followed in the erection, installation, alteration, repair, relocation, replacement, addition to, use or maintenance of any heating ventilating, comfort cooling, refrigerator systems, incinerators, or other miscellaneous heat producing appliances in the city; and subject to the additions, deletions, and amendments set forth in this chapter, said Code with Appendices A, B, C, F and G, containing said rules, regulations, standards, provisions, and conditions is hereby established and adopted by reference, and the same shall be designated, known and referred to as the "Mechanical Code" of and for the City."

SECTION 46. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.02 of the Redondo Beach Municipal Code is amended to read as follows:

"9-6.02 Heating, ventilating, and comfort cooling.

Section 304.5 is hereby added to read as follows:

304.5 Roof mounted appliances. Any appliance located on the roof of a building shall be located, if possible, over a wall or beam or other structural member so that, in the event of fire, the roof alone will not be the only means of structural support. Such equipment shall be anchored or attached in place in such a manner as to resist overturning or shifting by wind or earthquake."

SECTION 47. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.03 of the Redondo Beach Municipal Code is amended to read as follows:

"**9-6.03 Permit Fees.**

Section 104.5 is amended as follows:

Table 104.5 Mechanical Permit Fees is hereby deleted.

104.5 Fees. Refer to RBMC 9-1.03 Fees Section [A] 109.2 Schedule of Permit Fees.

104.5.1 Work commencing before permit issuance. Refer to RBMC 9-1.03 Fees Section [A] 109.4 Work Commencing Before Permit Issuance.

104.5.2 Investigation Fees. Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation shall be made before a permit may be issued for such work. An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. Refer to RBMC 9-1.03 Fees Section [A] 109.2 Schedule of Permit Fees."

SECTION 48. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.03.1 of the Redondo Beach Municipal Code is amended to read as follows:

"**9-6.03.1 Permit Expiration.**

Section 104.4.3 is hereby amended to read as follows:

104.4.3 Permit expiration. Refer to RBMC 9-1.06 Permit Expiration Section [A] 105.5 Expiration."

SECTION 49. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.03.2 of the Redondo Beach Municipal Code is amended to read as follows:

"**9-6.03.2 Plan submittal.**

Section 104.3.1 is hereby amended to read as follows:

104.3.1 Construction documents. Construction documents, engineering calculations, diagrams, and other data shall be submitted in two or more sets or digitally where authorized by the Building Official with each application for a permit. The construction documents, computations, and specifications shall be prepared by, and the mechanical system designed by, a registered design professional. Construction documents shall be drawn to scale with clarity to identify that the intended work to be performed is in accordance with the code.

Exception: The Authority Having Jurisdiction shall be permitted to waive the submission of construction documents, calculations, or other data where the Authority Having Jurisdiction finds that the nature of the work applied for is such that reviewing of construction documents is not necessary to obtain compliance with the code."

SECTION 50. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.03.3 of the Redondo Beach Municipal Code is amended to read as follows:

"**9-6.03.3 Plan review fees.**

Section 104.3.2 is hereby amended to read as follows:

Table 104.5 is hereby deleted.

104.3.2 Plan Review Fees. Refer to RBMC 9-1.03 Fees Section [A] 109.2 Schedule of Permit Fees.

SECTION 51. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.03.4 of the Redondo Beach Municipal Code is amended to read as follows:

"**9-6.03.4 Expiration of plan review.**

Section 104.3.3 is hereby amended to read as follows:

104.3.3 Time limitation of application. Refer to RBMC 9-1.06.1.1 Expiration of Plan Review Section

[A] 105.3.2 Time Limitation of Application."

SECTION 52. AMENDMENT OF CODE. Title 9 Chapter 6, Section 9-6.04 of the Redondo Beach Municipal Code is amended to read as follows:

"**9-6.04 Violations and penalties.**

Section 106.1 is hereby amended to read as follows:

106.1. General. Any person who violates a provision of this code or fails to comply with any of the requirements thereof or who erects, constructs, enlarges, alters, repairs, moves, improves, removes, converts, demolishes, equips, uses, or maintains a mechanical system in violation of the approved construction documents or directive of the Building Official, or of a permit or certificate issued under the provisions of this code, shall be subject to the penalties as prescribed by law. Every person who willfully resists, delays, obstructs or interferes in any way with the Building Official or his or her authorized representative in the discharge or attempt to discharge any duty of his or her office or employment shall be guilty of a violation of this Chapter.

Section 106.3 is hereby amended to read as follows

106.3 Penalties. Refer to RBMC 9-1.04 Violations and Penalties Section [A] 114.4 Violation Penalties."

SECTION 53. AMENDMENT OF CODE. Title 9, Chapter 11, Sections 9-11.01 and 9-11.02 of the Redondo Beach Municipal Code are hereby amended to read as follows:

"**Chapter 11 UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS.**

9-11.01 - Adoption of Code for the Abatement of Dangerous Buildings.

Pursuant to the provisions of Section 50022.1 to 50022.10, inclusive, of the Government Code of the State and subject to the particular additions, deletions and amendments set forth in this chapter, the rules, regulations, provisions and conditions set forth in that certain Code entitled the "1997 Uniform Code for the Abatement of Dangerous Buildings" promulgated and published by the International Conference of Building Officials, one (1) full printed copy of which, printed as a Code in book form were by the Council ordered filed and which have been filed in the office of the City Clerk, expressly incorporated herein and made a part hereof as fully and for all intents and purposes as though set forth herein at length, are hereby established and adopted as the rules, regulations, provisions and conditions to be observed and followed for the purpose of providing a just, equitable and practicable method to be cumulative with and in addition to any other remedy provided by the Building Code, Housing Code or otherwise available by law, where buildings or structures which from any cause endanger life, limb, health, morals, property, safety or welfare of the general public or their occupants may be required to be repaired, vacated or demolished, and related subjects, items and matters as set forth in said Code, within the City. Subject to the additions, deletions and amendments set forth in this chapter, said Code and the said Standards containing said rules, regulations, standards, provisions and conditions is hereby established and adopted by reference, and the same shall be designated, known and referred to as the "Uniform Code for the Abatement of Dangerous Buildings" of and for the City.

9-11.02 – Violations and penalties.

Section 203 is hereby amended to read:

Section 203. Violations. Refer to RBMC 9-1.04 Violations and Penalties Section [A] 114.4 Violation Penalties."

SECTION 54. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.101 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**CHAPTER 4 FIRE CODE**

Article 1. Fire Prevention Code

3-4.101 California Fire Code adoption.

That portion of the State Building Standards Code, known as the California Fire Code, 2025 Edition, published by the International Code Council and the California Building Standards Commission with errata, including Appendices A, B, BB, C, CC, D, E and F, the table of contents and the index, as modified and amended, is adopted and hereby collectively declared to be the Redondo Beach Fire Code for the purpose of regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises in the City of Redondo Beach, providing for the issuance of permits and collection of fees. To ensure compliance with AB 130 the existing 2022 Redondo Beach Fire Code ordinances (Ordinance 3-4) associated with Group R occupancies shall be maintained and not modified or changed and carried over. Not less than one (1) copy of said code and standards as modified, deleted or amended shall be filed in the office of the City Clerk."

SECTION 55. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.101.1 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**3-4.101.1 Scope and Administration**

Section [A] 103.1 is amended to read as follows:

103.1 Creation of agency. The Redondo Beach Fire Department is hereby created and the official in charge thereof shall be known as the fire code official. The function of the agency shall be the implementation, administration, and enforcement of the provisions of this code.

Section [A] 104.1.1 is added to read as follows:

104.1.1 Fire Prevention Standard Operating Guidelines. The Redondo Beach Fire Department Fire Prevention Standard Operating Guidelines has been created and adopted to serve as instructions and interpretations of the adopted Fire Code. The Redondo Beach Fire Department Fire Prevention Standard Operating Guidelines shall be a published document, amended from time to time to provide current instruction and interpretation.

Section [A] 104.1.2 is added to read as follows:

104.1.2 Authority of Peace Officers. In enforcing the provisions of the California Fire Code, California Building Code, California Health & Safety Code, California Penal Code, California Vehicle Code and the Redondo Beach Municipal Code and such laws, orders, rules and regulations, variances, and standards in connection therewith, the Fire Marshal, Deputy Fire Marshal, Fire Prevention Manager, Senior Fire Prevention Specialist and the Fire Prevention Specialist are hereby given the powers of peace officers.

Section 104.11 is amended to read as follows:

104.11 Authority at fires and other emergencies. The Fire Chief or Officer of the Fire Department in charge at the scene of a fire or other emergency, including such fires and emergencies at industrial facilities where a private fire brigade or a private fire department is established, involving the protection of life or property or any part thereof, shall have the authority to direct such operations as necessary to extinguish or control any fire, perform any rescue operations, investigate the existence of suspected or reported fires, gas leaks or other hazardous conditions or situations or of taking any action necessary in the reasonable performance of duty. Command and control of the emergency shall be the responsibility of the Redondo Beach Fire Department, with cooperation and technical or professional input provided by appropriate private sector employees and/or management. In the exercise of such power, the Fire Chief is authorized to prohibit any person, vehicle, vessel, or thing from approaching the scene and is authorized to remove or cause to be removed or kept away from the scene any vehicle, vessel or thing which could impede or interfere with the operations of the fire department and, in the judgment of the Fire Chief, any person not actually and usefully employed in the extinguishing of such fire or in the preservation of property in the vicinity thereof.

Section 104.11.4 is added to read as follows:

104.11.4 Financial Responsibility. Any person who personally, or through another, willfully, negligently, or in violation of law, possesses, sells and/or sets off illegal or "State approved" fireworks, sets a fire, allows a fire to be set, or allows a fire kindled or attended by him/her to escape from his/her control, allows any hazardous material to be handled, stored, disposed of, or transported in a manner not in accordance with this Code, State law or nationally recognized Standards, allows any hazardous materials to escape from his/her control, allows continuation of a violation of this Code is liable for the expense of fighting the fire including fire investigation or for the expenses incurred during a hazardous materials incident, and such expense will be charged against that person."

SECTION 56. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.102 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"3-4.102 CFC Duties & Powers of the Fire Code Official

Section 104.10 is **amended** to read as follows:

104.10 Fire Investigations. The Fire Department is authorized to promptly investigate the cause, origin and circumstances of each and every fire, explosion, unauthorized release of hazardous materials, or any other hazardous condition within the City. If it appears to the bureau of investigation that such fire is suspicious in origin, it is authorized to take immediate charge of all physical evidence relating to the cause of fire and to pursue investigation to its conclusion.

Section 104.10.2 is **added** to read as follows:

104.10.2 Financial Responsibility. Any person who personally, or through another, willfully, negligently, or in violation of law, sets a fire, allows a fire to be set, or allows a fire kindled or attended by him/her to escape from his/her control, allows any hazardous material to be handled, stored, disposed of or transported in a manner not in accordance with this Code, State law or nationally recognized Standards, allows any hazardous material to escape from his/her control, allows continuation of a violation of this Code is liable for the expense of fighting the fire or for the expenses incurred during a hazardous materials incident, and such expense will be a charge against that person.

Section 202 is amended to add or modify the following definitions:

Fire Chief. The Chief Officer of the Fire Department serving the jurisdiction.

Fire Code Official. The fire chief or other member of the fire department appointed by the fire chief charged with the administration and enforcement of this code.

Operational Fire Permit. An official document or certificate issued by the Redondo Beach Fire Department which authorizes performance of a specific activity."

SECTION 57. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.103 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"3-4.103 Permits

Section 105.5.10 is amended to read as follows:

105.5.10 Covered and open mall buildings. An operational permit is required to use a covered mall in the following manner:

1. Placing or constructing temporary kiosks, displays booths, concession equipment or the like in the mall.

2. To use a mall as a place of assembly.

3. To use open-flame or flame-producing devices.

4. To display any liquid- or gas-fueled powered equipment.

Sections 105.6.26 through 105.6.37 are hereby added to read as follows:

105.6.26 Christmas Tree Lots. A permit is required to operate a Christmas tree lot.

105.6.27 Daycare, Commercial. A permit is required to operate any nonresidential building used for day care purposes for more than six children/persons or any residential building used for day care for more than 14 persons.

105.6.28 Daycare, Large family. A permit is required to operate a homeowner operated residence as a large family day care home for nine to 14 persons, for periods less than 24 hours per day.

105.6.29 Fireworks. A permit is required for fireworks.

105.6.30 General Use. When in the opinion of the Fire Chief a permit is required for an activity, use or process that is not covered by any other permit.

105.6.31 Group R-2.1. This occupancy shall include buildings, structures or parts thereof housing clients, on a 24-hour basis, who because of age, mental disability or other reasons, live in a supervised residential environment that provides personal care services.

This occupancy may contain more than six non-ambulatory and/or bedridden clients This group shall include, but not be limited to, the following:

Assisted living facilities such as: Residential Care Facilities, Residential Care Facilities for the Elderly (RCFE's), Adult Residential Facilities, Congregate Living Health Facilities, Group homes, Residential Care Facilities for the Chronically Ill, and Congregate Living Health Facilities for the Terminally Ill,

Halfway houses, Community Correctional Center, Community Correction Reentry Center, Community Treatment Programs, Work Furlough Programs, and Alcoholism or drug abuse recovery or treatment facilities.

105.6.32 Group I-2. This occupancy shall include buildings and structures used for medical, surgical, psychiatric, nursing, or custodial care on a 24-hour basis for more than five persons who are incapable of self-preservation or classified as non-ambulatory or bedridden.

This group shall include, but not limited to, the following: Hospitals, Nursing homes (both intermediate care facilities and skilled nursing facilities), Mental hospitals and Detoxification facilities.

105.6.33 Group I-2.1. Ambulatory Care Facility. A healthcare facility that receives persons for outpatient medical care that may render the patient incapable of self-preservation and where each tenant space accommodates more than five such patients.

105.6.34 Group I-3. This occupancy shall include building or portions of buildings and structures that are inhabited by one or more persons who are under restraint. An I-3 facility is occupied by persons who are restrained.

This group shall include, but not limited to, the following: Prisons, Jails, Reformatories, Detention centers, Correctional centers, and Juvenile Halls.

105.6.35 Group I-4, Day Care Facilities. This occupancy shall include buildings and structures occupied by persons of any age who receive custodial care for less than 24 hours by individuals other than parents or guardians, relatives by blood, marriage or adoption and in a place other than the home of the person cared for. Places of worship during religious functions are not included.

105.6.36 Radioactive Materials. To store or handle at any installation more than 1 micro curie (37,000 Becquerel) of radioactive material not contained in a sealed source or more than 1 mill curie (37,000,000 Becquerel) of radioactive material in a sealed source or sources, or any amount of radioactive material for which a specific license from the Nuclear Regulatory Commission is required.

105.6.37 Residential Care Facility. To operate a Residential Care Facility where no medical care is provided."

SECTION 58. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.103.1 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**3-4.103.1 Violation Penalties**

Section [A] 113.4 is amended to read as follows:

[A] 113.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a misdemeanor, punishable by a fine of not more than $1000.00 dollars or by imprisonment not exceeding six (6) months, or both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense."

SECTION 59. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.103.2 of the Redondo Beach Municipal Code is amended to read as follows:

"**3-4.103.2 General Requirements**

Section 401.10 is hereby added to read as follows:

401.10 Immediate Reporting of a Release or a Threatened Release. Any person who stores, transports, dispenses, uses, or handles hazardous materials, or any facility required by Occupational Safety and Health Administration (OSHA) regulations to prepare or maintain a Material Safety Data Sheet (MSDS)/Safety Data Sheets (SDS), including those who store extremely hazardous substances shall provide an immediate, verbal report of any release or threatened release of a hazardous material to the City of Redondo Beach Fire Department accessing the 911 emergency reporting system without delay as soon as:

- a person has knowledge of the release or threatened release.
- notification can be provided without impeding immediate control of the release or threatened release.
- notification can be provided without impeding immediate emergency medical measures.
- The immediate reporting pursuant to subsection (a) of this section shall include, as a minimum:
- the exact location of the release or threatened release.
- the name of the person reporting the release or threatened release.
- the hazardous materials involved in the release or threatened release.
- an estimate of the quantity of hazardous materials involved; and
- if known, the potential hazards presented by the hazardous material involved in the release or threatened release."

SECTION 60. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.104 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**Section 3-4.104 Buildings and Facilities**

Chapter 5, Fire Service Features, of the California Fire Code is adopted and/or amended to read as follows:

Sections 503.2.1 and 503.2.1.1 Table 503.2.1-A are added to read as follows:

503.2.1 Private Roads Used for Fire Apparatus Access. The minimum width of private roads which are also used for fire apparatus access shall be in accordance with Table 503.2.1-A. The minimum required width for fire apparatus access should not be used to determine the minimum width of private roads. When approved by the Fire Chief this requirement may be modified or waived.

Table 503.2.1-A. Minimum Width of Private Roads Also Used for Fire Apparatus Access

Location of Parking	Minimum Road Width
Fire access only	20′*
Public access road	25′*
Aerial ladder truck access	30′

* Measured from clear unobstructed pathway.

503.3 Fire Lane Marking/Signage. In accordance with California Vehicle Code the designation shall be indicated (1) by a sign posted immediately adjacent to, and visible from, the designated place clearly

stating in letters not less than one inch in height that the place is a fire lane (2) by outlining or painting the place in red and, in contrasting color, marking the place with the words "NO PARKING FIRE LANE," which are clearly visible from the vehicle, or (3) by a red curb or red paint on the edge of the roadway upon which are clearly marked the words "NO PARKING FIRE LANE." The Chief shall have the authority to designate fire apparatus access roads on private property.

507.1 Required Water Supply. The location number and type of fire hydrants connected to a water supply capable of delivering the required fire flow shall be provided on the public street or on the site of the premises or both.

507.2.1 Private Fire Hydrants. When required, private on-site fire hydrants shall be in accordance with the location and spacing specified for public streets and hydrants for similar occupancies. All private hydrants shall be installed in accordance with NFPA 24, Installation of Private Fire Service Mains and their Appurtenances, unless required to meet public standards. Private hydrants shall be painted yellow. When alternate materials or methods of protection, as approved by the chief are provided, these requirements may be modified or waived.

507.5 Fire hydrant systems. Fire hydrants shall be accessible to the fire department apparatus by roads meeting the requirements of Section 503.

507.5.1 Public Fire Hydrants. When required by the chief, there shall be one or more public fire hydrants installed at each street intersection in all developed areas of the city. The necessity for more than one hydrant located at each intersection on both sides of the street will depend upon required fire flows, street widths, center dividers or other physical barriers and existing or anticipated vehicular traffic volume.

1. In industrial, commercial, high density and multi-unit residential areas, hydrant spacing shall be approximately every 300 feet along public ways.

2. In areas where construction is limited to single family, duplex and triplex residential, hydrant spacing shall be approximately every 500 feet along public ways.

3. In all areas where street width exceeds 80 feet, appropriately spaced fire hydrants shall be required on both sides of the street."

SECTION 61. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.105 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**Section 3-4.105 Address Numbers**

Section 505.1 is amended to read as follows:

505.1 Address Numbers. Approved address numbers and letters must be placed on all new and existing buildings and units in such a location as to be plainly visible and legible from the street or road fronting such buildings and units. Numbers and letters must be at least four (4) inches in height for residential, six (6) inches in height for commercial, and twelve (12) inches in height for industrial buildings and units and may not be located on doors or other areas that can be obstructed from view. The numbers and letters will be in a color that contrasts with their background and must be in the City's approved numbering sequence. Residential, commercial, and industrial buildings and units that are served by an alley or a fire apparatus access roadway to the rear of the building must also have approved address numbers and letters posted in a visible location near the primary door to the alley or a fire apparatus access roadway."

SECTION 62. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.106 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**Section 3-4.106 Flammable and Combustible Liquids**

Chapter 23, Sections 2306.2.3.1 and 2306.2.3.2, are added to read as follows:

2306.2.3.1 Protected Aboveground Tanks. The storage and dispensing of motor fuels into the fuel tank of a motor vehicle from protected aboveground tanks located outside buildings shall be limited to private, fleet, or governmental motor vehicle fuel-dispensing stations not open to the public and shall not be permitted except as approved by the chief on a site-specific basis and shall be in accordance with this section and section 2206.2.3.2

2306.2.3.2 Protected aboveground tanks shall have fire-resistive protection rating of not less than 2 hours.

Section 3-4.107 Fire Alarm Systems

Subchapter 907.8.5 of Chapter 9 of Part IX of the California Fire Code as adopted by this article is hereby amended to add subsection 907.8.5.1 as follows:

907.8.5 Annual Fire Alarm Maintenance, Inspection and Testing. Fire alarm systems must be certified by a fire alarm contractor holding a C-10 (electrical) and C-16 (low voltage) state contractor licenses and have service personnel that meet the qualification requirements of NFPA 72. Every owner of a fire alarm system subject to this subsection must provide the City Fire Department with certification issued by said licensed fire alarm testing agency verifying that all components of the fire alarm systems are operative and have been tested according to National Fire Protection Association standards. Fire alarm systems shall be serviced whenever:

1. A false alarm occurs for an unknown reason or reasons;

2. The fire alarm is activated by fire;

3. The system is in "trouble" condition.

Section 3-4.107.1 NFPA 13D alarm notification

Add section to Chapter 9 of the California Fire Code to read as follow:

907.2.11.2.7 Occupancy alarm notification with NFPA 13D sprinkler systems:

1. The Fire Sprinkler System shall be equipped with a weather proof Horn/Strobe located at the front of the structure and/or as near as possible to the front, viewable from the addressed street. Its power shall be connected on a kitchen refrigerator circuit or a dedicated tamper proof circuit breaker of sufficient amperage capacity.

2. If this circuit is not accessible from outside the structure, an additional tamper and weather proof disconnect switch shall be provided and located near the fire sprinkler riser.

3. Automatic fire sprinkler system flow alarm shall be required in-house meeting the same requirement of notification. No inside notification appliances required when flow alarm is interconnected to a multiple station smoke detection system**."**

SECTION 63. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.108 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"Section 3-4.108 Fire extinguishing systems

Sections 901 and 903 shall be added or amended to read in its entirety as follows:

901.11 Problematic Systems. In the event of a failure of a fire-protection system with 2 or more alarms in a 2-week period of accidental activations where there is no evidence of a situation requiring a response, the Chief is authorized to require the building owner or occupant to provide fire watch personnel until the system is repaired.

901.12 Firewatch. Per Section 901.11 the Fire Chief is authorized to require the building owner or occupant to provide a fire watch with personnel acceptable to the Fire Chief until documentation is provided that the system is repaired and is operational. Such individuals shall be provided with at least one approved means for notification of the fire department and their only duty shall be to perform constant patrols of the protected premises, keep and maintain a log and keep watch for fires.

903.2 Where Required. An approved automatic sprinkler system in new buildings and structures shall be required for all occupancies.

Exception: New detached buildings under 1,200 square feet in size subject to approval of the Building Official.

903.2.8.1.1 Existing R-3 Occupancies. An automatic sprinkler system must be provided throughout every existing R-3 occupancy when a 1,200 square foot or greater addition occurs established by the Building Code Official.

903.2.1 Group A**.** Is deleted

903.2.1.1 Group A-1**.** Is deleted

903.2.1.2 Group A-2**.** Is deleted

903.2.1.3 Group A-3**.** Is deleted

903.2.1.4 Group A-4**.** Is deleted

903.2.1.5 Group A-5**.** Is deleted

903.2.1.6 Assembly Occupancies on Roofs**.** Is deleted

903.2.1.7 Multiple Fire Areas**.** Is deleted

903.2.2 Ambulatory Care Facilities**.** Is deleted

903.2.3 Group E**.** Is deleted

903.2.4 Group F-1**.** Is deleted

903.2.4.1 Woodworking Operations**.** Is deleted

903.2.4.3 Group F-1 Upholstered Furniture or Mattresses. Is deleted

903.2.5 Group H**.** Is deleted

903.2.5.1 General**.** Is deleted

903.2.5.2 Group H-5 Occupancies**.** Is deleted

903.2.5.3 Pyroxylin Plastics**.** Is deleted

903.2.5.4 Group H Occupancies Located Above the 10th Story**.** Is deleted

903.2.6 Group I**.** Is deleted

903.2.6.1 Group I-2**.** Is deleted

903.2.6.2 Group I-3**.** Is deleted

903.2.7 Group M**.** Is deleted

903.2.7.1 High-Piles Storage**.** Is deleted

903.2.8 Group R**.** Is deleted

903.2.8.1 Group R-3**.** Is deleted

903.2.8.3 Group R-4**.** Is deleted

903.2.8.4 Group R3.1**.** Is deleted

903.2.9 Group S-1**.** Is deleted

903.2.9.1 Repair Garages**.** Is deleted

903.2.9.2 Bulk Storage of Tires**.** Is deleted

903.2.9.4 Group S-1 upholstered furniture and mattresses. Is deleted

903.2.10 Group S-2 Enclosed Parking Garages**.** Is deleted

903.2.10.1 Commercial Parking Garages**.** Is deleted

903.2.11 Specific building Areas and Hazards**.** Is deleted

9.03.2.11.1 Stories without openings. Is deleted

903.2.11.3 Buildings 55 feet or More in Height**.** Is deleted

903.3.1.3.1 Protection of Attached Garages. Residential occupancies protected by an automatic sprinkler system in accordance with NFPA 13R or 13D must have automatic sprinklers installed in attached garages and in other areas as required by the Redondo Beach Fire Department.

903.3.5.3 Hydraulically Calculated Systems. The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.

903.3.8 Limited Area Sprinkler Systems. When a fire sprinkler system is required, it shall be provided throughout the building.

Exception: Protection for specific appliances and/or hazards.

903.3.8.1 through 903.3.8.5 is deleted.

903.3.9 Floor Control valves. Floor control valves and waterflow detection assemblies shall be installed at each floor where any of the following occur:

1. Buildings where the floor level of the highest story is located more than 30 feet above the lowest level of fire department vehicle access.

2. Buildings that are three or more stories in height.

3. Buildings that are two or more stories below the highest level of fire department access.

903.4.3 Alarms. One exterior approved audible and visible device, located on the exterior of the building in an approved location, shall be connected to each automatic sprinkler system. Such sprinkler water-flow alarm device shall be activated by water flow equivalent to the flow of a single sprinkler of the smallest orifice size installed in the system. Where a fire alarm system is installed, actuation of the automatic sprinkler system shall actuate the building fire alarm system. Exterior audible and visible alarm notification shall be provided on NFPA 13, NFPA 13R and NFPA 13D systems.

Exception: Group R-3 and R3.1 occupancies floor control valves and waterflow detection assemblies shall not be required.

Sections 907.6.6 and 909.11 of the California Fire Code shall be amended to read in their entirety as follows:

907.6.6 Monitoring. Fire alarm, supervisory and trouble signals shall be reported to an approved central, proprietary, or remote supervising station or the protected premise at a constantly attended location in accordance with the requirements of NFPA 72 for recording and disposition of signals. The supervising station shall be listed as either UUFX (Central Station) or UUJS (remote & proprietary) by the Underwriters Laboratory Inc. (UL) or shall comply with the requirements of standard FM 3011."

SECTION 64. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.110 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"Section 3-4.110 Solar panel regulations

Chapter 12, Energy System, of the California Fire Code shall be amended to read in its entirety as follows:

1205.2.1 Solar photovoltaic (PV) systems for group R-3 buildings. Solar photovoltaic (PV) systems for group R-3 buildings shall comply with sections 1205.2.1.1 thorough 1205.2.1.2, sections 1205.2.1.3, 1207.11.3 through 1207.11.4 and 1207.11.6.

1205.2.1.1 Set Backs for Ridge for Smoke and Heat Ventilation. Panels/modules installed on the roofs of residential buildings shall be located only on one side of any ridge to allow for Fire Department

smoke and heat ventilation operations. The panel/modules(s) shall be located no less than 3 feet from the ridge.

Exceptions: Where solar panels/modules are placed on both sides of any ridge they shall be spaced a minimum of 5 feet on one side and 3 feet on the other side of the ridge.

1205.2.1.2 Flat and Alternate Roofs. Panels and modules shall be located in a manner that provides a minimum 3-foot-side (968mm) clear perimeter around the edges of the roof. The panels and modules shall be installed in a way that Smoke Ventilation areas are created over common hallways and corridors to the approval of the AHJ.

1205.2.1.3 Alternative setbacks at ridge. Is deleted.

1207.11.3 Location. ESS shall be installed only in the following locations:

1. Detached garages and detached accessory structures.

2. Attached garages, with 1 hour fire resistive rating between the garage (U occupancy) and residential (R occupancies) spaces, with a maximum energy capacity not exceeding the values shown in 1207.1.3.

3. Any ESS exceeding the values shown in table 1207.1.3 shall be installed outdoors or on the exterior side of the exterior walls located not less than 3 feet (914 mm) from doors and windows directly entering the dwelling unit.

4. Deleted.

1207.11.4 Energy Ratings. Individual ESS units shall have a maximum rating of 20kWh. The aggregate rating structure shall not exceed:

1. Delete.

2. 80 kWh in detached garages and detached accessory structures not associated with dwelling units.

3. 80 kWh on exterior walls.
4. 80 kWh outdoors on the ground.

ESS Installations exceeding the permitted individual or aggregate ratings shall be installed in accordance with Sections 1207.1 through 1207.9 of the California Fire Code.

1207.11.6 Fire Detection. Is deleted.

Figure 1207.11.7.1 is amended as follows:

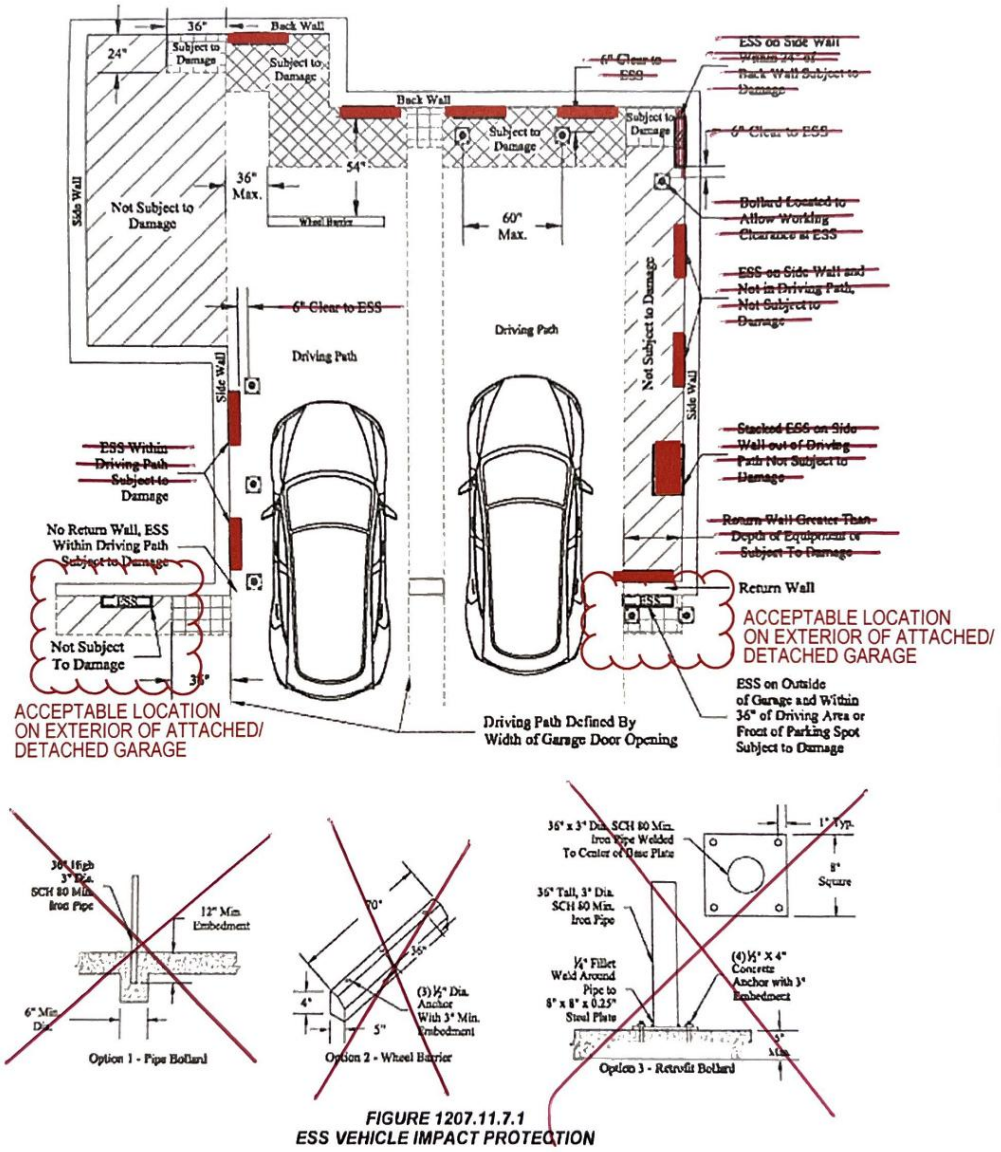


FIGURE 1207.11.7.1
ESS VEHICLE IMPACT PROTECTION

"

SECTION 65. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Section 3-4.111 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**3-4.111 Christmas Tree Lots**

Section 806 shall be amended to read as follows:

Christmas Trees

806.1.1.1 Natural Cut Trees B Occupancies. Cut, natural Christmas trees shall be treated with a flame-retardant material that has been approved by the California State Fire Marshal when such tree is in Group B occupancies.

Each Christmas tree, that is required to be treated with a flame-retardant material by this section, shall at all times bear a tag which shows the date treated, name of the applicator, and the registration number of the flame-retardant material.

Permit and Plan

806.5 A permit is required to establish, maintain, or operate a Christmas tree lot. Application for permit shall be submitted to the chief for approval. For Permits for Christmas Tree Lots and Tents, Canopies and Temporary Membrane Structures, see Chapter 31.

806.6 No person, including a holder of an unrevoked general merchandise license shall operate a Christmas tree lot without a permit issued pursuant to this section. A permit shall not be granted if the chief reasonably determines that the location or method of operation endangers life or constitutes a fire hazard. A permit may be revoked if the provisions of these sections are not met or maintained.

806.7 A permit granted pursuant to this section shall be valid from November 15th to December 25th of the calendar year in which the permit is issued.

806.8 An applicant for a permit shall submit a dimensional plot plan of the proposed location with the application. The plot plan shall show the location of the Christmas trees, buildings, trailers, tents, temporary structures, aisle widths, fenced areas, emergency exits and portable fire extinguishers.

Location

806.9 No person shall use any location for a Christmas tree lot where dry grass, weeds, paper, combustible waste, or other combustible materials exist.

806.10 Christmas trees shall not be located within 15 feet of any building, trailer, structure, or temporary building which is not necessary to the operation of the Christmas tree lot.

806.11 Christmas trees shall not be located within 25 feet of any facility where flammable or combustible liquids are produced, stored, handled, or dispensed.

Fire Protection

806.12 Portable Fire Extinguisher. A minimum of (2) two 2-A rated fire extinguishers shall be provided. Travel distance to fire extinguishers shall not exceed 50 feet.

Sources of Ignition

806.13 Smoking or open flames shall not be permitted upon any Christmas tree lot. Approved "NO SMOKING" signs shall be posted as required.

Closure of the Christmas Tree Lot.

806.14 On January 5th, following the permit period, all cut, natural Christmas trees, combustible materials, tents, trailers, temporary buildings, and structures associated with the Christmas tree lot shall be removed and the location shall be cleaned to the reasonable satisfaction of the chief."

SECTION 66. AMENDMENT OF CODE. Title 3, Chapter 4, Article 1, Sections 3-4.112 and 3-4.113 of the Redondo Beach Municipal Code are hereby amended to read as follows:

"**3-4.112 Means of Egress**

Section 1011.12 is hereby deleted, and a new Section 1011.12 is added to read in its entirety as follows:

1011.12 Exit Door to Roof. In every building four or more stories in height all required stairways shall extend to the roof surface unless the roof has a slope greater than four in twelve. The exit doors at the roof shall be always locked and shall not comply to Section 1010.1.9.3. Locking mechanisms shall have the capacity of being unlocked simultaneously without unlatching upon a signal from the central control station or the fire and sprinkler alarm system if a central control system is not required. Upon failure of electrical power, the locking mechanisms shall be retracted to the unlocked position."

3-4.113 Temporary Haunted Houses, Ghost Walks and Similar Amusement Uses

Adopt Appendix P Temporary Haunted Houses, Ghost Walks and Similar Amusement Uses in its entirety.

Delete Appendix K in its entirety.

Delete ~~**§ 3-4.114. Roofs.** in its entirety.~~

SECTION 67. AMENDMENT OF CODE. Section 3-4.115 is added to Title 3, Chapter 4, Article 1, of the Redondo Beach Municipal Code and shall read as follows:

3-4.115 APPENDIX

Appendix A, Board of Appeals of the California Fire Code, is replaced with Appendix A, Life Safety Requirements for Existing Buildings. Sections A115.1, A115.3, A115.4, A115.5 and A115.6 of Appendix A of the California Fire Code are hereby added to read as follows:

A115.1 Date for Compliance. Six (6) months after notification by the Redondo Beach Fire Department or Building & Safety Department that the structure is in violation of this chapter, every building falling within its scope shall be vacated until made to conform to the requirements of this section. The Fire Chief may grant necessary extensions of time when it can be shown that the specific time periods are not physically practical or pose an undue hardship. The granting of an extension of time for compliance shall be based upon the showing of good cause and subject to the filing of an acceptable systematic progressive plan of correction with the Building Official.

A115.3 Corridors. Corridors of Groups A, B, E, F, H, I, M and R, Division 1, and S Occupancies serving an occupancy load of 30 or more, shall have walls and ceilings of not less than one hour fire resistive construction as required by the code. Existing walls surfaced with wood lath and plaster in good condition or 1/2-inch gypsum wallboard or openings with fixed wired glass set in steel frames are permitted for corridor walls and ceilings and occupancy separations when approved. Where lath and plaster is found to be deteriorating in exit corridors, it shall be replaced or covered with 5/8 inch Type X gypsum wallboard throughout. Doors opening into such corridors shall be protected by 20-minute fire assemblies or solid wood doors not less than 1 3/4 inch thick door, a 1 3/8-inch-thick solid bonded wood-core door or equivalent insulated steel door shall be permitted. Doors shall be self-closing or

automatic closing by smoke detection. Transoms and openings other than doors from corridors to rooms shall comply with the California Building Code or shall be covered with a minimum of 3/4 inch plywood or 1/2-inch gypsum wallboard or equivalent material on the room side.

Exception: Existing corridor walls, ceilings and opening protection not in compliance with the above may be continued when such buildings are protected with an approved automatic sprinkler system throughout.

A115.4 General. Dwelling units and hotel or lodging house guest rooms that are used for sleeping purposes shall be provided with smoke detectors. Detectors shall be installed in accordance with the approved manufacturer's instructions.

A115.5 Separation of Occupancies. Occupancy separations shall be provided as specified in the California Building Code. When approved by the Building Official, existing wood lath and plaster in good condition or 1/2 inch gypsum wallboard may be acceptable where one-hour occupancy separations are required.

Upon inspection, where it is found that the original construction or due to deterioration, a condition exists where fire could spread unchecked vertically or horizontally, provide a one-hour fire separation or repair the penetration to the satisfaction of the Fire Department and the Building and Safety Department.

A115.6 Compliance Data. After notification by the Redondo Beach Fire Department or Building and Safety Department, the owner shall, subject to the following time limits, take necessary actions to comply with the provisions of this chapter.

Plans and specifications for the necessary alterations shall be filed with the Building Official within 18 months after the date of owner notification. Work on the required alterations to the building shall commence within 30 months of the date of owner notification and such work shall be completed within five years from the date of owner notification.

The Fire Chief may grant necessary extensions of time when it can be shown that the specified time periods are not physically practical or pose an undue hardship. The granting of an extension of time for compliance shall be based upon the showing of good cause and subject to the filing of an acceptable systematic progressive plan of correction with the Building Official.

Section B105.2 of Appendix B of the California Fire Code shall be amended to read in its entirety as follows:

B105.2 Buildings other than One- and Two-Family Dwellings. The minimum fire flow and flow duration for buildings other than one and two-family dwellings shall be as specified in Table B105.1.

Exception: A reduction in required fire flow of up to 50 percent, as approved is allowed when the building is provided with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1, 903.3.1.2 or 903.3.1.3. The resulting fire flow shall not be less than 1,500 gallons per minute (5,677.5 L/min.) for the duration as specified in Table B105.1.

Section BB105.2 of Appendix BB of the California Fire Code shall be amended to read in its entirety as follows:

BB105.1 Buildings other than One- and Two-Family Dwellings. The minimum fire flow and flow duration for buildings other than one and two-family dwellings shall be as specified in Table BB105.1.

Exception: A reduction in required fire flow of up to 50 percent, as approved is allowed when the building is provided with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1, 903.3.1.2 or 903.3.1.3. The resulting fire flow shall not be less than 1,500 gallons per minute (5,677.5 L/min.) for the duration as specified in Table BB105.1.

Appendix C, Fire Hydrant Locations and Distribution, of the California Fire Code is replaced with Appendix C, Life Safety Requirements for Existing High-Rise Buildings. Section 1 of Appendix C of the California Fire Code is added as follows:

C101 COMPLIANCE DATA.

After notification by the Redondo Beach Fire Department or Building and Safety Department, the owner shall, subject to the following time limits, take necessary actions to comply with the provisions of this chapter. Plans and specifications for the necessary alterations shall be filed with the chief within 18 months after the date of owner notification. Work on the required alterations to the building shall commence within 30 months of the date of owner notification and such work shall be completed within five years from the date of owner notification.

The Fire Chief may grant necessary extensions of time when it can be shown that the specific time periods are not physically practical or pose an undue hardship. The granting of an extension of time for compliance shall be based upon the showing of good cause and subject to the filing of an acceptable systematic progressive plan of correction with the chief.

Appendix D of the California Fire Code is amended to read in its entirety as follows:

Appendix D Fire Apparatus Access Roads

D101 – GENERAL

D101.1 Scope. The provisions of Chapter 5, Section 503, apply unless specially modified by this appendix. This appendix is intended to provide guidelines to be considered by the chief when determining fire department access for commercial and residential developments when onsite access is required. Approved alternatives for fire department access include the needs of the local fire department and the following sections.

Section D10 – Minimum Specifications

D102.1 Access and Loading. Access roadways or streets shall comply with the provisions of Chapter 5, Section 503.2.1. Fire department access shall have an unobstructed width of not less than 25 feet. Road widths shall be as approved by the chief, or as follows:

- 20' feet wide for fire access only,
- 25' feet wide when public access,
- 30’ feet wide for Aerial Ladder Truck Access

(Measured curb to curb)

D102.2 Surface. Fire apparatus access roads shall be designed and maintained to ensure that all-weather driving capabilities are maintained in accordance with CFC Section 503.2.3. When required by the chief, proposed alternate design criteria for an "all-weather-surface" fire department access road or street, bearing the stamp of a professional engineer shall be provided.

D103.2 Grades. Fire apparatus roads shall not exceed 8 percent in grade.

Exceptions:

1. The Fire Chief is authorized to allow increased steepness of grade, depending on the apparatus requirements of the fire department, when every building in the residential development is provided with an approved automatic fire sprinkler system.

2. The Fire Chief may allow an increase of the maximum grade when other approved fire protection measures are provided.

D103.4 Dead Ends. Dead end fire department access road shall be in accordance with Redondo Beach Fire Department Operations Manual "Fire Lanes." For the purpose of the apparatus maneuvering, the use of bulb or cul-de-sacs, hammerheads, "Y"-heads, or other methods shall be subject to the capabilities of the fire apparatus, as required by the chief.

D103.4.1 Cul-de-sacs. Cul-de-sacs shall maintain clear and unobstructed, allowing a turning radius that is consistent with the capabilities of the fire apparatus of the fire department, subject to the approval by the chief.

Exception: When alternate methods and means relating turning around of fire apparatus are provided, the provisions of this section may be modified by the chief.

D103.5.1 Access-control Devices. When required fire department access is restricted by the installation of access-control devices, such devices shall be approved by the chief, provide adequate clear width for fire department apparatus and be maintained operable at all times.

D103.6 Signs. When motor vehicle parking is allowed on access roadways, such parking shall not encroach into the fire department access roadway. When this provision is compromised or restricted, the chief is authorized to require signage to indicate parking restriction in accordance with Section 503.3.

D103.6.4 Drainage. When subject to run-off damage, the Chief is authorized to require approved drainage.

D104.3.4 Multiple Access Provisions. The Fire Chief is authorized to require two or more means of access in accordance with Section 503.1.2.

D105 Aerial Ladder Access. When the height of a structure at the roof eaves exceeds 27 feet or the capability of the fire department to access the roof safely utilizing ground ladders, the location and width of access roadways shall be such that truck mounted aerial ladders may be utilized. Aerial ladder access shall include the ability to maneuver apparatus, deploy outriggers and provide proper climbing angles. The minimum road width shall not be less than 30 feet, or as approved by the chief.

Appendix E, Hazard Categories, of the California Fire Code is replaced with Appendix E, Suppression and Control of Hazardous Fire Areas. Section 1 of Appendix E of the California Fire Code is added to read as follows:

E101 Maintain additional fire protection or firebreak by removing brush, flammable vegetation and combustible growth located from 30 feet to 100 feet (9,144 mm to 30,480 mm) from such buildings or structures, when required by the chief because of extra-hazardous conditions.

E102 When required by the Fire Chief, a fire break may be increased up to 200 feet (60,960 mm) on hillside properties to mitigate convective and radiant heat transfer resulting from the slope of the property.

E103 Grass and other vegetation located more than 30 feet (9,144 mm) from such buildings or structures and less than 18 inches (457 mm) in height above the ground, may be maintained where necessary to stabilize the soil and prevent erosion.

Appendix N of the California Fire Code is adopted and reassigned as Appendix F."

SECTION 68. AMENDMENT OF CODE. Title 3, Chapter 4, Article 3, Section 3-4.301 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"**Section 3-4.301 Use and discharge of fireworks.**

Chapter 56, Sections 5601.1.3, 5601.1.3.1 and 5601.7 are added to read as follows:

5601.1.3 Fireworks. The possession, manufacture storage, sale, handling, and use of fireworks are prohibited. The possession, sale, use, and/or discharge of "Safe and Sane" fireworks is prohibited.

Exceptions:

1. Storage and handling of fireworks as allowed by Section 5604.

2. Manufacture, assembly and testing of fireworks as allowed in Section 5606 and health and Safety Code Division 11.

3. The use of fireworks for fireworks displays, pyrotechnic before a proximate audience and pyrotechnic special effects in motion pictures, television, theatrical or group entertainment productions are allowed in Title 19, Division 1, Chapter 6 Fireworks reprinted in Section 5608 and Health and Safety Code Division 11.

5601.1.3.1 Fireworks. The manufacturing, possession, storage sale, use and handling of fireworks, including without limitation, "Safe and Sane" fireworks, is prohibited.

Exceptions:

1. Storage of fireworks in accordance with the requirements for low order explosives in Title 19, California Code of Regulations, Chapter 10.

2. Storage of fireworks, 1.4G in accordance with the Building Code.

3. Use and handling of fireworks for professional display in accordance with Title 19, California Code of Regulations, Chapter 6.

5601.7 Seizure of Fireworks. All fireworks including "State approved" shall be illegal in the City of Redondo Beach. The fire code official and police officers shall have the authority to seize, take and remove fireworks and/or safe and sane fireworks stored, sold, offered for sale, used or handled in violation of the provisions of Title 19 CCR, Division 1, Chapter 6 and Health and Safety Code, Chapter 9.

Exception: When permits are issued for such use.

5601.7.1 Financial Responsibility. See section 104.11 Financial Responsibility for cost recovery of enforcement of section 5601.7. Fireworks maybe identified as hazardous waste by the State of California; violators may be responsible for any disposal fees."

SECTION 69. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City, to the extent that they are inconsistent with this ordinance, and no further, are hereby repealed.

SECTION 70. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 71. This notice shall be published by one insertion in, the official newspaper of the City or published in conformance with the alternative publication requirements pursuant to Redondo Beach City Charter §9.15 and this ordinance shall take effect and be in full force and operation thirty (30) days after its final passage and adoption.

SECTION 72. The City Clerk shall certify to the adoption of this ordinance; shall cause the same to be entered in the book of original ordinances of said City; shall make a minute of the passage and adoption thereof in the records of the meeting at which the same is passed and adopted; and shall within fifteen (15) days after the passage and adoption thereof cause the same to be published by one insertion in *The Beach Reporter*, the official newspaper of the City and a weekly newspaper of general circulation, published and circulated within the City of Redondo Beach hereby designated for that purpose.

SECTION 73. This Ordinance will become effective at 12:01 a.m. on January 1, 2026.

SECTION 74. The City Clerk shall cause a summary of this Ordinance to be published as provided by law. The summary shall be published and a certified copy of the full text of this Ordinance shall be posted in the Office of the City Clerk at least five (5) days prior to the City Council meeting at which this Ordinance is to be adopted. Within fifteen (15) days after the adoption of this Ordinance, the City Clerk shall cause a summary to be published with the names of those City Council members voting for and against this Ordinance and shall post in the Office of the City Clerk a certified copy of the full text of this Ordinance along with the names of those City Council members voting for and against the Ordinance.

PASSED, APPROVED AND ADOPTED this 4th day of November, 2025.

_____
James A. Light, Mayor

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

ATTEST:

_____
Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)

COUNTY OF LOS ANGELES) ss

CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3307-25 was introduced at a regular meeting of the City Council held on the 21st day of October, 2025, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 4th day of November, 2025, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Eleanor Manzano, CMC
City Clerk

“EXHIBIT A”

Findings to Support Local Amendments to the 2025 Edition of the California Building Standards Code

The City Council hereby finds and declares that, based on prevailing local climatic, geological, and topographical conditions, specific amendments, additions, and deletions to the 2025 California Building Standards Code are reasonably necessary to ensure adequate and effective safeguards for the protection of life, health, and property within the jurisdiction.

Furthermore, in accordance with Assembly Bill 130, the City shall continue to adopt and enforce the amendments previously established under the 2022 Edition of the California Building Standards Code as they pertain to residential occupancies. These provisions shall be incorporated into the 2025 Edition to maintain regulatory consistency and uphold public safety standards.

The following amendments are justified by the local conditions outlined in the accompanying justification matrix and are hereby adopted as part of this ordinance:

2025 California Building Code Section	Title / Subject	Findings (see key below)
[A] 105.1	Permits required	Administrative
[A] 105.2	Work exempt from permit	B-B1
[A] 105.3.2	Time limitation of application	Administrative
[A] 105.5	Permit expiration	Administrative
[A] 107.1	General	Administrative
[A] 107.1.1	Plan review fees [added]	Administrative
[A] 109.2	Schedule of permit fees	Administrative
[A] 109.3	Permit valuations	Administrative
[A] 109.4	Work commencing before permit issuance	Administrative
[A] 109.6	Refunds	Administrative
[A] 111.1	Use and occupancy	Administrative
[A] 114.4	Violation penalties	Administrative
[F] 903.2.1.1.1	Group A-1	B-A1 Climatic
[F] 903.2.1.2.1	Group A-2	B-A1 Climatic
[F] 903.2.1.3.1	Group A-3	B-A1 Climatic
[F] 903.2.1.4.1	Group A-4	B-A1 Climatic
[F] 903.2.1.5.2	Group A-5	B-A1 Climatic
[F] 903.2.1.8	Group B [added]	B-A1 Climatic
[F] 903.2.3	Group E	B-A1 Climatic
[F] 903.2.4	Group F-1	B-A1 Climatic
[F] 903.2.4.1	Woodworking operations	B-A1 Climatic
[F] 903.2.6	Group I	B-A1 Climatic
[F] 903.2.7	Group M	B-A1 Climatic
[F] 903.2.9	Group S-1	B-A1 Climatic
[F] 903.2.9.1	Repair garages	B-A1 Climatic

[F] 903.2.9.2	Bulk storage of tires	B-A1 Climatic
[F] 903.2.10	Group S-2	B-A1 Climatic
[F] 903.2.8	Group R3	B-A1 Climatic
[F] 903.2.8.3	Group R-4, Condition 1	B-A1 Climatic
[F] 903.2.22	Existing building of all occupancies [added]	B-A1 Climatic
[F] 903.3.1.3	NFPA 13D	B-A1, B-E1
1505.1 & Table 1505.1	General roofing and re-roofing	B-A1 Climatic
Appendix B	Appendix B	Administrative, B-G1
Appendix F	Appendix F	B-G1, Administrative
Appendix G	Appendix G	B-F1
Appendix H	Appendix H	B-A1, B-B1, B-E1, B-F1
Appendix I	Appendix I	B-A1, B-B1, B-E1
Appendix J	Appendix J	B-F1
Appendix P	Appendix P	B-A1, B-B1, B-E1, B-F1
Appendix Q	Appendix Q	B-A1, B-B1, B-E1

2025 California Residential Code Section	Title / Subject	Findings (see key below)
R105.1	Permits required	Administrative
R105.2	Work exempt from permit	B-B1
R105.3.2	Time limitation of application	Administrative
R105.5	Permit expiration	Administrative
R108.2	Schedule of permit fees	Administrative
R108.3	Building Permit Valuations	Administrative
R108.5	Refunds	Administrative
R108.6	Work commencing before permit issuance	Administrative
R106.1	Plan submittal	Administrative
R106.1.1.1	Plan Review Fees	Administrative
R110.3	Certificate issued	Administrative
R113.4	Violation penalties	Administrative
R309.1 & Exception	Townhouse automatic fire sprinkler systems	B-A1
R309.2 & Exception	One and two family dwellings automatic fire sprinkler systems	B-A1
Appendix BB	Appendix BB	B-A1, B-E1, B-F1
Appendix BF	Appendix BF	B-A1, B-E1, B-F1
Appendix BH	Appendix BH	B-A1, B-B1, B-E1, B-F1
Appendix BM	Appendix BM	B-A1, B-D1, B-E1, B-F1
Appendix CI	Appendix CI	B-A1, B-E1, B-F1
Appendix CJ	Appendix CJ	B-A1, B-B1, B-E1, B-F1

2025 California Electrical Code Section	Title / Subject	Findings (see key below)

89.108.4.2	Fees	Administrative
89.108.4.3	Plan review and time limitations	Administrative
230-30 (A)	Underground services	B-E1
230.70 (A) (1)	Service equipment - readily accessible location	B-E1
230.79 (E)	Multi-family dwellings	B-D1, B-G1

2025 California Plumbing Code Section	Title / Subject	Findings (see key below)
104.3.2	Plan review fees	Administrative
104.3.3	Expiration of plan review	Administrative
Table 104.5	Plumbing permit fees	Administrative
104.5.1	Work commencing before permit issuance	Administrative
104.5.2	Investigation fee	Administrative
106.3	Violation penalties	Administrative
Appendix A	Appendix A	B-A1, B-E1, B-F1
Appendix B	Appendix B	B-A1, B-E1, B-F1
Appendix C	Appendix C	B-A1, B-E1, B-F1
Appendix D	Appendix D	B-A1, B-E1, B-F1
Appendix G	Appendix G	B-A1, B-E1, B-F1
Appendix H	Appendix H	B-A1, B-E1, B-F1
Appendix I	Appendix I	B-A1, B-E1, B-F1
Appendix J	Appendix J	B-A1, B-E1, B-F1
Appendix K	Appendix K	B-A1, B-E1, B-F1
Appendix L	Appendix L	B-A1, B-E1, B-F1
Appendix M	Appendix M	B-A1, B-E1, B-F1

2025 California Mechanical Code Section	Title / Subject	Findings (see key below)
304.5	Roof mounted appliances	B-B1
104.5 & Table 104.5	Fees	Administrative
104.5.1	Work commencing before permit issuance	Administrative
104.5.2	Investigation fee	Administrative
104.4.3	Permit expiration	Administrative
104.3.1	Construction documents	Administrative
104.3.2	Plan review fees	Administrative
104.3.3	Time limitation of application	Administrative
106.1	General	Administrative
106.3	Penalties	Administrative
Appendix A	Appendix A	B-A1, B-E1, B-F1
Appendix B	Appendix B	B-A1, B-E1, B-F1
Appendix C	Appendix C	B-A1, B-E1, B-F1

Appendix F	Appendix F	B-D1, B-F1, B-G1
Appendix G	Appendix G	B-F1, B-G1

2025 California Fire Code Section	Title / Subject	Findings (see key below)
[A] 103.1	Creation of agency	Administrative
[A] 104.1.1	Fire prevention standard operating guidelines	Administrative
[A] 104.1.2	Authority of peace officers	Administrative
[A] 104.10	Fire Investigations	Administrative
[A] 104.10.2	Financial Responsibility	Administrative
[A] 104.11	Authority at fires and other emergencies	Administrative
[A] 104.11.4	Financial responsibility	Administrative
[A] 113.4	Violation Penalties	Administrative
105.5.10	Covered and Open Mall Buildings	B1, G1
105.6.26	Christmas tree lots	A1, E1
105.6.27	Daycare commercial	A1, B1
105.6.28	Daycare large family	A1, B1
105.6.29	Fireworks	A1, E1
105.6.30	General use	A1, B1, D1
105.5.31	Group R-2.1	A1, B1
105.6.32	Group I-2	A1, B1
105.6.33	Group I-2.1	A1, B1
105.6.34	Group I-3	A1, B1
105.6.35	Group I-4, day care facilities	A1, B1
105.6.36	Radioactive materials	D1
105.6.37	Residential care facility	A1, B1
401.10	Immediate Reporting of a Release or a Threatened Release	A1, B1
503.2.1	Private Roads Used for Fire Apparatus Access	E1, G1, A1
Table 503.2.1-A	Minimum width of private roads for fire apparatus	E1, G1, A1
503.3	Fire lane marking/signage	A1, B1, D1
505.1	Address numbers	B1, G1
507.1	Required water supply	E1, G1, B1, A1
507.2.1	Private fire hydrants	E1, G1, B1, A1
507.5	Fire hydrant systems	E1, G1, B1, A1
507.5.1	Public fire hydrants	E1, G1, B1, A1
806.1.1.1	Natural cut trees B Occupancies	A1, E1
806.5-806.14	Permit and Plan	Administrative
901.11	Problematic systems	A1, E1, B1
901.12	Firewatch	A1, E1, B1
903.2	Where Required	A1, E1, B1
903.2.1-903.2.11.3	Occupancy Groups	A1, E1, B1
903.2.8.1.1	Existing R-3 Occupancies	A1, E1, B1
903.3.1.3.1	Protection of Attached Garages	A1, E1, B1
903.3.5.3	Hydraulically Calculated Systems	A1, E1, B1
903.3.8	Limited Area Sprinkler System	A1, E1, B1
903.3.8.1-903.3.8.5	deleted/omitted	A1, E1, B1

903.3.9	Floor Control Valves	A1, E1, B1
903.4.3	Alarms	A1, E1, B1
907.6.6	Monitoring	A1, E1, B1
907.2.11.2.7	Occupancy Alarm Notification with NFPA 13D Sprinkler Systems	E1, G1, B1, A1
907.8.5	Annual Fire Alarm Maintenance, Inspection and Testing	E1, G1, B1, A1
1011.12	Exit Door to Roof	A1, E1, B1
1205.2.1	Solar photovoltaic for group R-3	A1, E1, G1
1205.2.1.1	Set backs for ridge for smoke and heat venting	A1, E1, G1
1205.2.1.2	Flat and alternate roofs	A1, E1, G1
1205.2.1.3	Alternate setbacks at ridge	A1, E1, G1
1207.11.3	Location of ESS	A1, E1, G1
1207.11.4	Energy ratings	A1, E1, G1, D1
1207.11.6	Fire detection	A1, E1, G1
1207.11.7.1 Figure	ESS Vehicle Impact Protection	A1, E1, G1
2306.2.3.1	Protected aboveground tanks	B1, E1
2306.2.3.2	Above ground tanks	B1, E1
Appendix A	Appendix A	A1, D1, E1, G1
Appendix B	Appendix B	A1, D1, E1, G1, B1
Appendix BB	Appendix BB	A1, D1, E1, G1, B1
Appendix C	Appendix C	A1, D1, E1, G1, B1
Appendix CC	Appendix CC	A1, D1, E1, G1, B1
Appendix D	Appendix D	E1, G1, A1
Appendix E	Appendix E	A1, E1
Appendix P	Temporary Haunted Houses, Ghost Walks and Similar Amusement Uses	B1, E1

Justification KEY:

A - Administrative amendment, which does not modify a building standard as defined in California Health & Safety Code section 18909. The amendment establishes administrative procedures for the effective enforcement of the building standards in the City of Redondo Beach.

B - This amendment is reasonably necessary because of the following local climatic, geological, or topographical conditions:

"A1. Climatic. The city experiences periods of extremely high temperatures accompanied by low humidity and high winds each year. Homes and other structures are often six feet or less from one another making fire spread more likely. These conditions create an environment in which there is an increased risk of fire. "

"B1. Geological. Redondo Beach is prone to seismic activity due to the existence of active earthquake faults in the Southern California area. Due to the high geologic activities in the Southern California area, amendments are required to address and clarify special needs for buildings constructed in a seismically active area. "

"C1. Climatic. Precautionary steps are necessary to reduce or eliminate potential problems that may result from using timber footings in Redondo Beach, as timber footings experience relatively rapid

decay due to the fact that the region does not experience temperatures cold enough to destroy or retard the growth and proliferation of wood-destroying organisms. “

"D1. Climatic and Topographical. Environmental resources in the city of Redondo Beach are scarce due to varying, and occasionally immoderate, temperatures and weather conditions. Expanding the scope of the mandatory requirements of this Code will achieve a greater reduction in greenhouse gases, higher efficiencies of energy, water, and material usage and improved environmental air quality."

"E1. Topographical. The city is located in a densely populated coastal area in Los Angeles County that is more prone to high winds, earthquakes and fire, making it more difficult for Fire personnel to access than many other areas in California."

"F1. Climatic. The city experiences periods of moist salt air which create an environment in which there is an increased rate of corrosion. “

"G1. Topographical. The City is located in a densely populated coastal area in Los Angeles County with small lot dimensions, amendments are necessary to maintain the integrity of public or private property."

CITY OF REDONDO BEACH
NOTICE OF PUBLIC HEARING BEFORE THE CITY COUNCIL

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD BEFORE THE CITY COUNCIL OF THE CITY OF REDONDO BEACH ON THE FOLLOWING MATTER. ANY AND ALL INTERESTED PERSONS MAY APPEAR AND BE HEARD.

SUBJECT OF HEARING: PUBLIC HEARING TO CONSIDER ORDINANCES AMENDING TITLE 9 (BUILDING REGULATIONS) AND TITLE 3 CHAPTER 4 (FIRE CODE) OF THE REDONDO BEACH MUNICIPAL CODE, AND ADOPTING TITLE 24 PARTS 1 THROUGH 12 OF THE CALIFORNIA CODE OF REGULATIONS. THESE BUILDING STANDARDS CODES INCLUDE, BUT ARE NOT LIMITED TO, THE 2025 CALIFORNIA BUILDING, RESIDENTIAL, ELECTRICAL, MECHANICAL, PLUMBING, ENERGY, AND GREEN BUILDING CODES.

PUBLIC HEARING: The public hearing on this matter will take place before the City Council on **Tuesday, October 21st, 2025 at 6:00 p.m.,** or as soon thereafter as possible, in the Redondo Beach City Council Chambers, 415 Diamond Street, Redondo Beach, California, or for public participation by Virtual Meeting. The meeting will also be livestreamed on the City's website at www.redondo.org/RBTV, YouTube at https://www.youtube.com/c/CityofRedondoBeachIT, and broadcast live through Spectrum Channel 8 and Frontier Communications Channel 41. Members of the public may participate during the meeting as outlined below.

PUBLIC COMMENT: There will be three options for public testimony during the meeting:

(1) In person oral testimony can be provided by attending the meeting in the City of Redondo Beach City Council Chambers at the address noted above.

(2) Interested persons may submit a written eComment through the City's agenda webpage at https://redondo.legistar.com/Calendar.aspx. Specific instructions for eComment will be provided on the agenda cover page when it is released at least 72 hours prior to the public hearing. eComments may be read out loud by City staff during the public hearing and are limited to 3 minutes in length (up to 2200 characters). Only one eComment per person.

(3) Oral public testimony can be provided live by joining the virtual Zoom meeting by computer or phone-in. Registration is required. The registration link is available at https://us02web.zoom.us/webinar/register/WN_OfsVG5UVSlOFXnaM0KEysA

and will also be provided on the agenda coversheet when it is released at least 72 hours prior to the public hearing.

A person may either comment live or submit an eComment, but cannot do both.

For those that cannot participate during the public hearing, written comments for the City Council on this matter may be submitted by email to CityClerk@redondo.org. Written comments will be accepted up to 3:00 p.m. the day of the public hearing, October 21st, 2025, to allow time for distribution to the City Council as a Blue Folder item.

ADDITIONAL INFORMATION: The draft ordinance revisions will be available for public review at the following locations:

1) City Clerk Office, 415 Diamond Street Door 1, Redondo Beach, CA 90277, during normal business hours
2) Main Library Information Desk, 303 N. Pacific Coast Hwy, Redondo Beach, CA 90277, during normal operating hours for the location
3) The City's website at www.redondo.org. Navigate to Departments > Community Development > Building & Safety

For additional information, please contact Lorena Soules, Building Official, at 310-697-3156 or by email at Lorena.Soules@redondo.org.

The agenda packet with the administrative report and materials related to this matter will be available at least 72 hours prior to the public hearing, pursuant to State Law and local ordinance, on the City website at https://redondo.legistar.com/Calendar.aspx. Select the October 21st, 2025, City Council meeting.

If you challenge this matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

CITY OF REDONDO BEACH, CALIFORNIA
Eleanor Manzano
City Clerk of the City of Redondo Beach

PUBLISH: October 10, 2025 (EASY READER)

Administrative Report

N.1., **File #** 25-1472 **Meeting Date:** 10/21/2025

To: **MAYOR AND CITY COUNCIL**

From: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING UPDATED DRAFT ORDINANCE LANGUAGE PERTAINING TO SMOKE SHOP REGULATIONS

PROVIDE DIRECTION ON THE FINAL ORDINANCE LANGUAGE AND SET NOVEMBER 18, 2025 AS THE DATE FOR A PUBLIC HEARING TO CONSIDER INTRODUCTION AND FIRST READING OF THE PROPOSED ORDINANCE

EXECUTIVE SUMMARY

On April 15, 2025, the City Council reviewed the initial draft Smoke Shop Ordinance and provided policy direction. Subsequently, on July 17, 2025, the Planning Commission reviewed the draft ordinance and adopted a resolution recommending approval with modifications. A revised draft incorporating the Planning Commission's recommendations was presented to the City Council for discussion on August 19, 2025. At that meeting, the City Council directed staff to make additional changes. Staff has since prepared updated draft language reflecting those modifications, which is now submitted for City Council review ahead of the ordinance's first reading, which is recommended for scheduling on November 18, 2025.

BACKGROUND

Below is a summary of the modifications requested by the City Council at the August 19, 2025, meeting, along with staff responses detailing how each item has been addressed:

- *Cap the maximum number of smoke shops at five.*
    - Response: The previous draft of the ordinance allowed existing legal nonconforming smoke shops to continue operating for five years following its adoption, after which the number would be reduced to ten and regulated through the Conditional Use Permit (CUP) process. At the last meeting, the City Council directed that the initial cap be lowered from ten to five. The updated draft ordinance language has been revised to allow a maximum of five CUPs during the five-year period.

- *More clearly define "ancillary sales" and evaluate whether existing businesses can comply with the allowed sales by floor area for tobacco products.*
    - Response: The original version of the ordinance allowed "two percent of the gross floor area, or 200 square feet, whichever is less, for the display, sale, distribution, delivery, offering, furnishing, or marketing of conventional cigars, cigarettes or tobacco." Staff

performed site visits to various retailers throughout the City that sell tobacco as an ancillary use and found that the majority rely on vertical wall space rather than floor space for product display and sales, which, on average, occupied between 20 and 50 square feet. Based on these findings, the definition has been modified to limit the vertical display area that can be used for the sale and marketing of tobacco products to a maximum of 50 square feet, and floor space to no more than one percent of the gross floor area. An additional provision has been added authorizing the Community Development Director to require reductions or approve minor increases in display areas, provided that the sale and display of tobacco products remain ancillary to the primary use. A side-by-side comparison of the original and revised definitions is included as an attachment to this report.

- *Make the following additional modifications: (1) Amend the definition of e-cigarette as presented at the City Council meeting; (2) Amend the buffer requirements to require a minimum distance of 600 feet between smoke shops, and at least 600 feet from high schools and youth centers; (3) Amend the definition of "Youth Center" as presented at the City Council meeting; (4) Remove references to cannabis from the definitions section; (5) Add "Hookah Lounge" in the exemption that applies to a Smokers' Lounge; and (6) Remove the prescriptive standards related to hours of operation.*
    - Response: The above-listed modifications have been incorporated into the updated draft ordinance language, which is included as an attachment to this report.

In addition to the modifications referenced above, staff conferred with the City Attorney's Office on additional amendments that clarify procedural requirements and establish cross-references to other relevant sections of the Redondo Beach Municipal Code (RBMC), including Title 5, Chapter 9, Article 2, which requires a Tobacco Retailer License. A subsection of Title 5, Chapter 9, Article 2 has also been incorporated into the updated draft Ordinance to include regulations aimed at preventing underage smoking.

COORDINATION

This report was prepared by the Community Development Department in coordination with the City Attorney's Office and the City Manager's Office.

FISCAL IMPACT

Preparation of this report and the proposed Ordinance is part of the Community Development Department's annual work plan and operating budget. There is no additional fiscal impact.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Draft Ordinance Text Amendments
- Ancillary Sales Definitions

Draft Ordinance Text Amendments

Added to Definitions Section in Chapters 2 & 5

(168) “Smoke shop and tobacco store” shall mean any premises dedicated to the display, sale, distribution, delivery, offering, furnishing, or marketing of tobacco, tobacco products, or tobacco paraphernalia, excluding hookah and smokers' lounges as defined in California Labor Code § 6404.5; provided, however, that any grocery store, supermarket, convenience store or similar retail use that only sells conventional cigars, cigarettes, e-cigarettes, or tobacco as an ancillary sale shall not be defined as a “smoke shop and tobacco store” and shall not be subject to the restrictions in this chapter.

Added to Special Uses Section in Chapters 2 & 5

Smoke Shops and Tobacco Sales.

(a) Purpose. The regulation of smoke shops and tobacco stores is necessary and in the interests of the public health, safety and general welfare as the expansion of smoke shops and tobacco stores in the city could result in undesirable impacts to the community. Among these impacts are increased potential for tobacco sales to minors along with greater opportunity for the sale of cannabis, illegal drugs and associated paraphernalia. These regulations address such negative impacts of smoke shops and tobacco stores while providing a reasonable number of locations and zones for such shops to locate within the city.

(b) Definitions. For the purpose of this section, unless the context clearly indicates otherwise, the words, terms, and phrases shall have the following meanings:

“Ancillary sale” includes grocery stores, supermarkets, convenience stores and similar uses in which tobacco product display and sales is secondary to the primary use of the business. To qualify as “ancillary sale” no more than one percent of the gross floor area, or fifty square feet of vertical display area, may be used for the sale and marketing of tobacco products. The Community Development Director may require reductions in display area, or permit minor increases, for the purpose of ensuring that the sale and display of tobacco products is ancillary to the primary use. Businesses that include “ancillary sale” of tobacco products are not subject to the provisions of Section 10-2.1642, but must obtain, maintain and comply with at all times a valid Tobacco Retailer license as required pursuant to Section 5-9.202.

“E-cigarette” shall mean any electronic or battery-powered device, whether reusable or disposable, designed to deliver vaporized or aerosolized substances, including but not limited to nicotine, flavored solutions, or other chemical compounds, to the user through inhalation. This includes devices such as electronic cigarettes, vape pens, electronic cigars, cigarillos, pipes, hookahs, or any similar inhalation device, along with their components, parts, or accessories, like refillable tanks, pods, or cartridges, whether sold separately or not. E-cigarette also includes any solution, cartridge, or substance intended to be vaporized or aerosolized during use.

“Smoke shop and tobacco store” shall mean any premises dedicated to the display, sale, distribution, delivery, offering, furnishing, or marketing of tobacco, tobacco products, or

tobacco paraphernalia, excluding hookah and smokers' lounges as defined in California Labor Code § 6404.5; provided, however, that any grocery store, supermarket, convenience store or similar retail use that only sells conventional cigars, cigarettes, e-cigarettes, or tobacco as an ancillary sale shall not be defined as a “smoke shop and tobacco store” and shall not be subject to the restrictions in this chapter.

“Tobacco” shall mean any preparation of the nicotine-rich leaves of the tobacco plant, which are cured by a process of drying and fermentation for use in smoking, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means into the body.

“Tobacco paraphernalia” shall mean any paraphernalia, equipment, device, or instrument that is primarily designed or manufactured for the smoking, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means into the body of tobacco, tobacco products, or other controlled substances as defined in California Health and Safety Code Section 11054 et seq. Items or devices classified as tobacco paraphernalia include but are not limited to the following: pipes, punctured metal bowls, bongs, water bongs, electric pipes, e-cigarettes, e-cigarette juice, buzz bombs, vaporizers, hookahs, and devices for holding burning material. Lighters and matches shall be excluded from the definition of tobacco paraphernalia.

“Tobacco product” shall mean any product in leaf, flake, plug, liquid, or any other form, containing nicotine derived from the tobacco plant, or otherwise derived, which is intended to enable human consumption of the tobacco or nicotine in the product, whether smoked, chewed, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means. For the purposes of this chapter, the term “tobacco product” excludes any product that has been specifically approved by the United States Food and Drug Administration (FDA) for sale as a tobacco/smoking cessation product or for other medical purposes, where such product is marketed and sold solely for such an approved purpose.

(c) Zoning and land use standards.

1. Permitted Zones. For smoke shops and tobacco stores (hereinafter referred to as “smoke shops”) notwithstanding any other provision of this title to the contrary, smoke shops shall be a conditionally permitted use only in the following zones, subject to the regulations contained in this chapter:

a. Smoke shops are only permitted in commercial zones, specifically limited to C-2, C-2A, C-2B, C-2PD, C-3, C-3A, C-3B, C-3PD, C-4, C-4A, C-4B, C-4PD, C-5A.

b. Smoke shops are prohibited in any industrial, public-institutional zone or mixed-use zone, or zone where residential uses are permitted, or within any coastal commercial zones.

2. Conditional Use Permit. All smoke shops wishing to operate within the above zones after the effective date of the ordinance codified in this chapter must obtain a conditional use permit in accordance with Section 10-2.2506 of the Municipal Code. Conditional Use Permits shall be processed as first come first served, on the basis of the date the application is deemed complete. The Conditional Use Permit for a smoke shop is valid for a maximum of three (3) years from the date of approval of the permit, at which time the permit shall expire and be of no further force and effect unless renewed.

(a)The Conditional Use Permit shall be processed in accordance with Section 10-2.2506 and shall include the following standard conditions:

1. No smoking shall be permitted on the premises at any time.
2. No sales may be solicited or conducted on the premises by minors.
3. No self-service tobacco, tobacco product, or tobacco paraphernalia displays shall be permitted.
4. No distribution of free or low-cost tobacco, tobacco products or tobacco paraphernalia, as well as coupons for said items, shall be permitted.
5. No advertising or signage indicating the availability of tobacco products shall be visible from the exterior nor from entry of the retail establishment to the maximum extent possible.
6. Smoke shops shall post clear signage stating that minors may not enter the premises unless accompanied by a parent or legal guardian. At least one such sign shall be placed in a conspicuous location near each public entrance to the smoke shop and tobacco store. It shall be unlawful for a smoke shop to fail to display and maintain, or fail to cause to be displayed or maintained, such signage.
7. The Smoke Shop must remain in compliance with all local, State, and federal laws, regulations, and orders, as well as all conditions of approval imposed on the use.
8. No Smoke shop shall sell or distribute cannabis or cannabinoid products, drug paraphernalia not directly related to legal smoke and vapor products, nitrous oxide, flavored tobacco products, or other products prohibited by law.
9. The sale of tobacco products is subject to the conditions contained in Title 5, Chapter 9, Article 2.

3. Locations. The permitted concentration and location of new smoke shops be as follows:

a. No smoke shop shall be established or located within 600 feet from any public or private high schools or youth centers, as defined in 10-2.1626, as measured from the nearest property lines of each of the affected parcels and shall not be located within 600 feet from another smoke shop.

4. Maximum allowed. A maximum of five (5) smoke shops are permitted city-wide, with the exception of legal nonconforming smoke shops established prior to the effective date of this Ordinance for which the following applies:

a. Legal nonconforming smoke shops may continue to operate, at their existing location, in accordance with Section 10-2.2002 and must obtain a Conditional Use Permit within a period of five (5) years from the effective date of this ordinance.
b. A maximum of five (5) Conditional Use Permits may be issued on a first come first serve basis to existing legal nonconforming smoke shops and shall be counted against the maximum allowance of five (5) city-wide provided they comply with the requirements of this article.
c. As legal nonconforming smoke shops abandon their use, either through change of use or expiration of operating permits, no new Conditional Use

Permits shall be issued unless the City is below the maximum allowance of five (5) smoke shops city-wide.

(d) Additional requirements and standards.

1. Smoke shops must obtain a Conditional Use Permit pursuant to Section 10-2.2506 and are subject to Planning Commission Design Review pursuant to Section 10-2.2502.
2. A Smoke shop must obtain, maintain and comply with at all times a valid Tobacco Retailer license as required pursuant to Redondo Beach Municipal Code Title 5, Chapter 9, Article 2.
3. A business license must be obtained subjection to the requirements of Title 6, Chapter 1.

(e) Prevention of underaged smoking.

(a) Notice of Minimum Age for Purchase of Tobacco Products and Electronic Smoking Devices. Retailers shall post conspicuously, at each point of purchase, a notice stating that selling tobacco products and electronic smoking devices to anyone under 21 years of age is illegal and subject to penalties. Such notice shall be subject to the approval of the City.
(b) Positive Identification Required. No retailer shall sell or transfer a tobacco product or electronic smoking device to another person who appears to be under 30 years of age without first examining the customer's identification to confirm that the customer is at least the minimum age under State law to purchase and possess the tobacco product.
(c) Flavored Tobacco Products. No retailer shall sell a tobacco product, or any product used in an electronic smoking device, containing, as a constituent or additive, an artificial or natural flavor or an herb or spice, including, but not limited to, strawberry, grape, orange, clove, cinnamon, pineapple, vanilla, coconut, licorice, cocoa, chocolate, cherry, coffee, mint, menthol, spearmint or wintergreen that is a characterizing flavor of the tobacco product or smoke produced by the tobacco product. The prohibition in the preceding sentence shall not apply to a licensed hookah business that permits only patrons 21 years of age or older, or active-duty military personnel who are 18 years of age or older, to enter the location where the tobacco product may be consumed or purchased.

(g) Enforcement of smoke shops.

1. Inspections. All smoke shops shall be subject to routine unannounced inspections by City Officials to ensure compliance with this section and any additional conditions of the Conditional Use Permit.
2. Criminal Penalties. Violations of provisions of this section are subject to Title 1, Chapter 2 of Redondo Beach Municipal Code and will be enforced accordingly.
3. Separate offense for each day. Any person who violates any provision of this section shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.
4. Use or activity prohibited by State law. Nothing in this section shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law.
5. Revocation. If verified that a Smoke Shop Operator is in violation with either the provisions of this section, or the specific conditions of the Conditional Use Permit, that finding may be used as a basis for amending or revoking the Conditional Use

Permit, pursuant to Section 10-2.2506(f) of the Redondo Beach Municipal Code and/or Business License pursuant to Section 6-1.26 and 6-1.27, or Tobacco Retail Permit pursuant to Section 5-9.201 et seq.

Amending Youth Center Definition in Chapters 2 & 5

"Youth center" means any public or private facility that is primarily used for recreational, social, educational, cultural, or wellness activities for persons under eighteen (18) years of age. "Youth Center" shall also include facilities that provide such services to both minors and young adults up to twenty-five (25) years of age, such as allcove centers or similar programs. ~~to host recreational or social activities for minors, including, but not limited to,~~ Examples of youth centers include, but are not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

Prior Ancillary Sale Definition

"Ancillary sale" shall mean where a grocery store, supermarket, convenience store or similar market uses no more than two percent of its gross floor area, or 200 square feet, whichever is less, for the display, sale, distribution, delivery, offering, furnishing, or marketing of conventional cigars, cigarettes or tobacco. For any grocery store, convenience store, retail kiosk or similar use consisting of 250 square feet or less, "ancillary sale" shall mean where no more than five square feet are used for the display, sale, distribution, delivery, offering, furnishing, or marketing of conventional cigars, cigarettes or tobacco. The Community Development Director may approve minor exceptions to the display area requirements, if a determination is made that the sale of tobacco products is clearly an ancillary use within the grocery store, supermarket or convenience store.

Updated Ancillary Sale Definition

"Ancillary sale" includes grocery stores, supermarkets, convenience stores and similar uses in which tobacco product display and sales is secondary to the primary use of the business. To qualify as "ancillary sale" no more than one percent of the gross floor area, or fifty square feet of vertical display area, may be used for the sale and marketing of tobacco products. The Community Development Director may require reductions in display area, or permit minor increases, for the purpose of ensuring that the sale and display of tobacco products is ancillary to the primary use. Businesses that include "ancillary sale" of tobacco products are not subject to the provisions of Section 10-2.1642, but must obtain, maintain and comply with at all times a valid Tobacco Retailer license as required pursuant to Section 5-9.202.